



United Nations

United Nations Development Programme

**Financial report and audited
financial statements**

for the biennium ended

31 December 1993 and

Report of the Board of Auditors

General Assembly

Official Records • Forty-ninth Session

Supplement No. 5A (A/49/5/Add.1)

United Nations Development Programme

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United Nations • New York, 1994

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

[16 July 1994]

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ABBREVIATIONS

ADB	African Development Bank
AFESD	Arab Fund for Economic and Social Development
AsDB	Asian Development Bank
CIDA	Canadian International Development Agency
EBRD	European Bank for Reconstruction and Development
ECA	Economic Commission for Africa
ECE	Economic Commission for Europe
ECLAC	Economic Commission for Latin America and the Caribbean
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
IDA	International Development Association
IDB	Inter-American Development Bank
IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
IMO	International Maritime Organization
IPF	Indicative planning figure
ITC	International Trade Centre
ITU	International Telecommunication Union
OPS	Office for Project Services
UNCDF	United Nations Capital Development Fund
UNCHS	United Nations Centre for Human Settlements (Habitat)
UNCTAD	United Nations Conference on Trade and Development
UNDCP	United Nations International Drug Control Programme
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNFSTD	United Nations Fund for Science and Technology for Development
UNHCR	Office of the United Nations High Commissioner for Refugees
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Development Fund for Women
UNITAR	United Nations Institute for Training and Research

UNRFNRE	United Nations Revolving Fund for Natural Resources Exploration
UNSO	United Nations Sudano-Sahelian Office
UNV	United Nations Volunteers
UPU	Universal Postal Union
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WTO	World Tourism Organization

LETTERS OF TRANSMITTAL AND CERTIFICATION

29 April 1994

Sir,

Pursuant to financial regulation 16.1, I have the honour to submit the financial statements of the United Nations Development Programme for the biennium ended 31 December 1993, which I hereby approve.

Copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

I certify that, to the best of my knowledge, information and belief, all material transactions have been properly charged in the accounting records and are properly reflected in the appended financial statements, numbered I to XXVII, and supporting schedules, numbered 1 to 11.

Accept, Sir, the assurances of my highest consideration.

(Signed) James Gustave SPETH
Administrator of the
United Nations Development Programme

(Signed) Peter M. LESLIE
Director
Division of Finance
United Nations Development Programme

The Chairman of the Board of Auditors
United Nations
New York

30 June 1994

Sir,

I have the honour to transmit to you the financial statements of the United Nations Development Programme for the biennium 1992-1993 ended 31 December 1993, which were submitted by the Administrator. These statements have been examined and include the audit opinion of the Board of Auditors.

In addition, I have the honour to present the report of the Board of Auditors with respect to the above accounts.

Accept, Sir, the assurances of my highest consideration.

(Signed) Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of
Great Britain and Northern Ireland
and Chairman
United Nations Board of Auditors

The President of the General Assembly
of the United Nations
New York, N.Y.

I. FINANCIAL REPORT FOR THE BIENNIUM ENDED 31 DECEMBER 1993

1. The Administrator has the honour to submit his financial report for the biennium ended 31 December 1993, together with the audited financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 1993 and the report of the Board of Auditors. This submission is made in conformity with the Financial Regulations of the United Nations Development Programme. The financial statements consist of 27 statements and 11 schedules, accompanied by notes which are an integral part of the financial statements, and cover all funds for which the Administrator is responsible.

2. The UNDP financial statements incorporate expenditure data obtained from the executing agencies. As far as possible, the data are obtained from the agencies' audited statements or, when such statements are not available at the time of the year-end closing of the UNDP accounting records, either from the agencies' statements as submitted for audit or from the agencies' unaudited statements.

3. As at the date of preparation of the present financial statements, the status of information received from the executing agencies was as follows:

(a) Audited statements, an audit report or other audit clearance was provided by the following executing agencies:

International Atomic Energy Agency
World Health Organization

(b) Statements as submitted for audit were provided by the following executing agencies:

United Nations
Economic Commission for Africa
Economic Commission for Europe
Economic Commission for Latin American and the Caribbean
Economic and Social Commission for Asia and the Pacific
Economic and Social Commission for Western Asia
United Nations Conference on Trade and Development
United Nations Centre for Human Settlements (HABITAT)
International Labour Organization
Food and Agriculture Organization of the United Nations
United Nations Educational, Scientific and Cultural Organization
International Civil Aviation Organization
World Bank
International Finance Corporation
International Monetary Fund
Universal Postal Union
International Telecommunication Union
World Meteorological Organization
International Maritime Organization
World Intellectual Property Organization
International Trade Centre
United Nations Industrial Development Organization
World Tourism Organization
African Development Bank
Asian Development Bank
European Bank for Reconstruction and Development

Changes in accounting practices and policies in the biennium

Financial regulations and rules

4. The financial statements have been prepared in accordance with the financial regulations for UNDP which have been approved by the Governing Council.

Accounting policies

5. A summary of significant accounting policies applied in the preparation of the financial statements is provided in note 1 to the financial statements. The policies are the same as those applied in the 31 December 1991 financial statements.

Presentation of accounts

6. The accounts are presented in essentially the same format as that used in previous bienniums/years. Changes in the presentation of individual items are disclosed in Note 2 to the financial statements.

Combined statement of income and expenditure for the biennium ended 31 December 1993

7. Table 1 below represents a combined statement of income and expenditure for the biennium ended 31 December 1993 in respect of the UNDP account, the UNDP-administered trust funds, management service agreements and the Junior Professional Officers Programme. It provides an overall view of the financial activities during the biennium of all funds for which the Administrator is responsible. The balance of each fund as at 31 December 1993 represents the recorded value of the net assets of each fund as at that date, exclusive of fully funded reserves.

Table 1. Combined income and expenditure for the biennium ended
31 December 1993

(Millions of United States dollars)

	Adjusted balance as at 1 January 1992	Income	Expenditure	Balance as at 31 December 1993
<u>Source of funds</u>				
<u>UNDP account</u>				
Voluntary contributions and other income	157.4	2 093.2	2 101.4	149.2
Special Measures Fund for the Least Developed Countries	26.0	-	8.2	17.8
Cost-sharing contributions	155.2	669.6	602.1	222.7
Cash counterpart contributions	8.3	23.6	25.4	6.5
Extrabudgetary activities	51.5	92.6	100.5	43.6
Subtotal (statement IV)	398.4	2 879.0	2 837.6	439.8
<u>Trust funds</u>				
United Nations Capital Development Fund (statement V)	109.7	91.1	120.7	80.1
United Nations Revolving Fund for Natural Resources Exploration (statement VI)	2.3	4.4	4.5	2.2
United Nations Trust Fund for Sudano-Sahelian Activities (statement VII)	52.3	27.1	44.4	35.0
United Nations Volunteers programme (statement VIII)	11.9	26.4	21.5	16.8
United Nations Fund for Science and Technology for Development (statement IX)	4.2	1.8	4.2	1.8
UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia (statement X)	0.1	0.4	0.3	0.2
United Nations Development Fund for Women (statement XI)	13.2	23.9	31.4	5.7
UNDP Energy Account (statement XII)	4.4	1.3	1.6	4.1
Trust funds established by the Administrator (statements XIII to XXV)	55.0	192.5	120.0	127.5
Other trust funds administered by UNDP (statement XXVI)	0.9	0.3	0.4	0.8
	254.0	369.2	349.0	274.2
<u>Management service agreements (schedule 5)</u>	47.8	262.8	236.6	74.0
<u>Junior Professional Officers programme (schedule 8)</u>	1.9	49.3	45.1	6.1
Total	702.1	3 560.3	3 468.3	794.1

UNDP account

8. As shown in the statement of income and expenditure (statement I), total income for the biennium ended 31 December 1993 amounted to \$2,879.0 million, total expenditure amounted to \$2,824.3 million, the provision to reduce the book value of accounts receivable and deferred charges amounted to a credit of \$0.2 million, and allocations for reserves amounted to \$13.6 million. Thus, the surplus of income less expenditure, the provision to reduce the book value of accounts receivable and deferred charges, and allocations for reserves amounted to \$41.4 million.

9. Statement IV shows the surplus of income over expenditure of \$41.4 million attributable as follows:

- (a) A deficit of \$8.2 million in respect of UNDP general resources;
- (b) A deficit of \$8.2 million in respect of the Special Measures Fund for the Least Developed Countries;
- (c) A surplus of \$67.5 million in respect of cost-sharing contributions;
- (d) A deficit of \$1.8 million in respect of cash counterpart contributions and,
- (e) A deficit of \$7.9 million in respect of extrabudgetary activities.

10. There has been an overall decrease in expenditure of \$115.5 million compared to the biennium 1990-1991 (statement I). For the same period, income increased by \$262.5 million. The decrease in the provision to reduce the book value of accounts receivable and deferred charges was reduced by \$0.5 million. Allocations for reserves were established in the biennium 1992-1993 in the amount of \$13.6 million. Statement III gives details of the changes in the financial position during the year and shows that cash and investments held by UNDP increased from \$867.9 million at the beginning of the biennium to \$982.1 million as at 31 December 1993.

Government contributions

11. The arrears of government contributions to UNDP amounted to \$209.9 million at 31 December 1993 as shown in note 3 to the financial statements. This represented a net decrease of \$51.6 million over the position as at 31 December 1991, when these arrears amounted to \$261.5 million, and is mainly attributable to the decreases in outstanding voluntary contributions of \$105.5 million and cash counterpart contributions of \$1.1 million, partly offset by a \$55.0 million increase in outstanding cost-sharing contributions.

Extrabudgetary activities

12. As shown in schedule 4, extrabudgetary expenditure in the biennium 1992-1993 amounted to \$100.5 million. Income received for these activities totalled \$92.5 million and the unexpended balance at 31 December 1993 was \$43.6 million.

Programme expenditure and programme support costs

13. Total programme expenditure for the 1992-1993 biennium amounted to \$2,043.8 million, a decrease of \$404.6 million compared to the 1990-1991 biennium. Schedule 2 gives details of this expenditure.

14. At its thirty-eighth session, in 1991, the Governing Council adopted comprehensive legislation on successor arrangements to agency support costs. ^{1/} These arrangements are in effect for all projects approved after 1 January 1992. Details of all programme support cost expenditure for the biennium 1992-1993 are shown in schedule 2.1.

^{1/} Official Records of the Economic and Social Council, 1991, Supplement No. 13 (E/1991/34), decision 91/46.

UNDP biennial budget

15. At its fortieth session, in 1993, the Governing Council approved total appropriations of \$577.6 million, for the purpose of financing programme support and administrative services costs under the United Nations Development Programme and the funds administered by the Programme for the biennium 1992-1993. 2/

16. This represents a decrease in net appropriations of \$0.2 million over the revised biennial budget approved by the Governing Council at its thirty-ninth session in 1992 and a \$1.8 million decrease over the original appropriations approved at the thirty-eighth session, in 1991. 3/, 1/

17. Detailed information on the gross expenditure incurred against the revised appropriations for the biennium 1992-1993 is given in schedule 3 in respect of the costs met from the resources of UNDP, and in schedule 11 in respect of the costs met from the resources of UNCDF, UNRPNRE and UNFSTD, UNSO and UNIFEM, respectively.

18. Table 2 below shows, for each appropriation line, the total appropriation, the net actual expenditure for the biennium 1992-1993 and the resulting unencumbered balance.

Table 2. Budget appropriations and expenditure for the biennium 1992-1993

(Thousands of United States dollars)

	Total appropriations	Net expenditure for the biennium	Unencumbered balance
I. RESOURCES OF UNDP			
A. <u>UNDP core activities</u>			
Headquarters	148 254	142 552	5 702
Field office	331 322	309 982	21 340
Gross UNDP core activities	479 576	452 534	27 042
Income received	32 000	34 652	(2 652)
Net UNDP core activities	447 576	417 882	29 694
B. <u>Programme support and development activities</u>			
Programme development activities	21 286	16 598	4 688
Project/programme implementation services			
Development support services	5 789	4 858	931
Office for Project Services	32 793	28 821	3 972
Inter-Agency Procurement Services Office	5 669	4 484	1 185
United Nations Volunteers programme	30 728	30 086	642
National execution	2 691	2 291	400

2/ Ibid., 1993, Supplement No. 15 (E/1993/35), decision 93/35.

3/ Ibid., 1992, Supplement No. 8 (E/1992/28), decision 92/37.

	Total appropriations	Net expenditure for the biennium	Unencumbered balance
Total project/programme implementation services	77 670	70 540	7 130
Programme support	2 300	2 021	279
Total, programme support and development activities	101 256	89 159	12 097
C. <u>Total resources of UNDP</u>	648 812	507 041	41 791
II. RESOURCES OF TRUST FUNDS			
A. United Nations Capital Development Fund	10 766	8 994	1 772
B. United Nations Revolving Fund for Natural Resources and United Nations Fund for Science and Technology for Development	4 357	2 626	1 731
C. United Nations Sudano-Sahelian Office	8 004	6 720	1 284
D. United Nations Development Fund for Women	5 606	5 199	407
<u>Total resources of trust funds</u>	28 733	23 539	5 194
TOTAL	577 565	530 580	46 985

Office for Project Services

19. At its thirty-ninth session in 1992, the Governing Council approved the division of Office for Project Services administrative costs into those financed by budgetary resources and those financed by extrabudgetary resources. ^{3/} Programme support cost income earned by the Office for Project Services, reduced by these costs, can be carried forward each year to the amount of 10 per cent of the current biennial budget for budgetary resources and in total for extrabudgetary resources. For the biennium ended 31 December 1993, total balances carried forward amount to \$ nil for budgetary resources and \$2.9 million for extrabudgetary resources.

20. Total Office for Project Services' project delivery for the biennium 1992-1993 under extrabudgetary resources amounted to \$92.2 million in respect of cost-sharing projects, \$3.2 million in respect of cash counterpart projects, \$126.3 million in respect of trust funds and \$236.6 million in respect of management service agreements, and under budgetary resources, \$289.3 million in respect of the UNDP account. For this project delivery, net OPS programme support costs earnings amounted to \$28.6 million for budgetary resources activity and \$34.0 million for extrabudgetary resource activity.

Property written off, ex-gratia payments and write-offs of cash and receivables

21. In accordance with UNDP financial regulation 14.4, UNDP non-expendable property in the amount of \$537,744 was written off during the biennium. Write-offs of property are investigated by the UNDP headquarters Property Survey Board and are subsequently approved by the Assistant Administrator of the Bureau for Finance and Administration.

22. Ex-gratia payments in the amount of \$36,413 were made in the biennium 1992-1993 under UNDP financial regulation 14.3.

23. In the biennium 1992-1993, write-offs of cash and accounts receivable amounting to \$154,941 were approved under UNDP financial regulation 14.4 and

financial rule 114.15. Details of all amounts written off were made available to the Board of Auditors.

Trust funds administered by UNDP

24. At the beginning of the biennium, UNDP had, under its administration, 73 trust funds and 62 sub-trust funds. In 1992-1993, 21 new trust funds and 28 sub-trust funds were established by the Administrator; 9 trust funds and 19 sub-trust funds were closed. As at 31 December 1993, UNDP is administering 85 trust funds and 71 sub-trust funds.

25. Out of the 85 trust funds, financial statements for 82 trust funds were prepared and shown on statements V to XXVI. The status of sub-trust funds are shown in statement XXVII. Financial statements were not prepared for those trust funds and sub-trust funds which did not have any financial activity during the current biennium. Budget appropriations for the biennium 1992-1993 for United Nations Capital Development Fund, United Nations Revolving Fund for Natural Resources Exploration, United Nations Fund for Science and Technology for Development, United Nations Trust Fund for Sudano-Sahelian Activities, and United Nations Development Fund for Women are shown in schedule 11.

26. The following trust funds were established during the current biennium:

UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia

"Capacity 21" Trust Fund

Family Health International Trust Fund

Rehabilitation Assistance to Anhui Province following Flood Disaster

Trust Fund for the FMLN Relocation Points in El Salvador

Trust Fund to Mainstream Human Development into Operational Activities

International Development Research Centre Trust Fund for Information Management Training Series

UNDP Trust Fund for the Mozambique Demobilization Programme

UNDP Trust Fund for the Baltic Republics

UNDP Trust Fund for Technical Assistance to Electoral Processes

Trust Fund for the Inter-Parliamentary Union

Trust Fund for Democratization Support and the Electoral Process in Guinea-Bissau

Trust Fund in Support of Peace-Building Activities in El Salvador

Trust Fund for UNDP History Project

UNDP/Denmark Trust Fund for Electoral Assistance Project in Burundi

UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique

UNDP Trust Fund for Capacity Building in De-mining Operations for Cambodia

UNDP Trust Fund for Human Resources Development in South Africa

UNDP Trust Fund for Council on Health Research for Development (COHRED)

UNDP Trust Fund for the Reintegration of Demobilized Military Personnel in Mozambique

UNDP/Switzerland Trust Fund for Aid Management and Aid Coordination in Kyrgyzstan

27. Of the 21 new trust funds listed, 6 trust funds did not have any financial activity during the current biennium. Financial statements were not prepared for those trust funds.

28. The following trust funds were closed during the current biennium:

Initial Initiative against Avoidable Disablement (IMPACT)

UNDP Trust Fund for Participation of Officials from Developing Countries in the Working Group of the Committee of the Whole

Technological Information Pilot System

Trust Fund for Technical Assistance to World Bank Project in Panama

Trust Fund for Technical Assistance to World Bank Project in Zambia

CIDA/UNDP Trust Fund to Support the Project "Development of Underground Water Resources in Mali"

UNDP Trust Fund for the Safe Motherhood Initiative

Coordination of International Agricultural Research

Preparation of an International Research Programme on Tropical Forestry

29. Of the nine closed trust funds listed, five trust funds did not have any financial activity during the current biennium. Financial statements were not prepared for those trust funds.

United Nations Capital Development Fund

30. As shown in statement V, the Fund's total income amounted to \$91.1 million and expenditures totalled \$123.8 million, resulting in a surplus expenditure of \$32.7 million in 1992-1993. Biennial budget expenditure totalled \$9.0 million as shown in schedule 11. The Fund maintains an operational reserve of at least 20 per cent of its project commitments in accordance with the Governing Council decision at its twenty-sixth session in 1979. 4/ As at 31 December 1993, the balance of the operational reserve amounted to \$55.9 million. Unexpended

4/ Ibid., 1979, Supplement No. 10 (E/1979/40), decision 79/21, para. 4.

resources as at 31 December 1993, exclusive of the operational reserve, stand at \$80.1 million.

31. As at 31 December 1992, unspent allocations amounted to \$244.8 million, of which \$239.2 million represents commitments for project activities funded from the Fund's general resources. This amount exceeds available resources by \$160.3 million, as shown in footnote a/ of statement V. This reflects the decision made by the Governing Council at its twenty-sixth session to continue the partial funding system 5/ and at its thirty-fourth session to modify the formula covering the ceiling on commitments. 6/ As disclosed in note 20 (f) to the financial statements, the partial funding system allows a maximum of \$267 million outstanding future allocations.

32. The Fund had nine sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Revolving Fund for Natural Resources Exploration

33. As shown in statement VI, the Fund's total income amounted to \$4.4 million and expenditures totalled \$4.5 million, resulting in a surplus expenditure of \$0.1 million in 1992-1993. Biennial budget expenditure amounted to \$1.8 million as shown in schedule 11. Unexpended resources as at 31 December 1993 stand at \$2.2 million, of which \$0.2 million has been committed to project activities.

34. The Fund had two sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Trust Fund for Sudano-Sahelian Activities

35. As shown in statement VII, the Fund's total income amounted to \$27.1 million and expenditures totalled \$43.4 million, resulting in a surplus expenditure of \$16.3 million in 1992-1993. Biennial budget expenditure amounted to \$6.7 million, as shown in schedule 11. Unexpended resources as at 31 December 1993 stand at \$35 million, of which \$34.6 million has been committed to project activities.

36. The Fund had 17 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

37. The United Nations Trust Fund for Sudano-Sahelian Activities is responsible for assisting, on behalf of the United Nations Environment Programme (UNEP), the countries of the Sudano-Sahelian region in the implementation of the Plan of Action to Combat Desertification. The work is carried out as UNDP/UNEP joint venture, with both programmes contributing equal shares of the programme (operational) support and administrative (institutional) support. Details of contributions received and expenditure incurred on the UNDP/UNEP joint venture are given in note 22 (b) to the financial statements.

United Nations Volunteers

38. In 1992-1993, the Fund earned total income of \$26.4 million and incurred expenditures amounting to \$21.5 million, as shown in statement VIII. These

5/ Ibid., 1982, Supplement No. 6 (E/1982/16/Rev.1), decision 82/22, para. 6.

6/ Ibid., 1988, Supplement No. 9, (E/1988/19), decision 88/44, para. 1.

activities resulted in a surplus income of \$4.9 million for the current biennium. Unexpended resources as at 31 December 1993 stand at \$16.8 million, of which \$9.1 million represents general resources, and \$7.7 million represents sub-trust funds resources. The amount of \$9.1 million shown as unspent allocations against general resources represents estimated commitments in respect of repatriation travel and resettlement allowances for serving volunteers as at 31 December 1993.

39. The Fund had 39 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Fund for Science and Technology for Development

40. The Fund's total income amounted to \$1.8 million and expenditures totalled \$4.2 million in 1992-1993, resulting in a surplus expenditure of \$2.4 million as shown in statement IX. Biennial budget expenditure amounted to \$0.8 million, as shown in schedule 11. Unexpended resources stand at \$1.8 million as at 31 December 1993, of which \$1.3 million has been committed to project activities.

41. The Fund had 12 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Development Fund for Women

42. Statement XI shows total income of the Fund amounting to \$23.9 million and expenditures totalling \$32.5 million in 1992-1993, resulting in a surplus expenditure of \$8.6 million. Biennial budget expenditure amounted to \$5.2 million, as shown in schedule 11. The Fund maintains an operational reserve calculated using a sliding percentage scale applied to the Fund's forward commitments for a period of three years in accordance with the Governing Council's decision during its thirty-seventh session in 1990. The operational reserve as at 31 December 1993 amounted to \$5.1 million. Unexpended resources as at 31 December 1993, exclusive of the operational reserve, stand at \$5.7 million. Unspent allocations amounted to \$8.2 million. Allocations in excess of available resources were made on the basis of contributions receivable from Governments as disclosed in note 26 (d) to the financial statements.

43. The Fund had 5 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

Global Environment Facility

44. As shown in statement XXI, the total income of the Fund in 1992-1993 amounted to \$65.3 million and expenditure totalled \$47.6 million, resulting in a surplus income of \$17.7 million. Administrative costs of \$3.6 million were incurred during the biennium. The Fund's unexpended resources as at 31 December 1993 stand at \$18.3 million, of which \$17.3 million represents general resources. Unspent allocations for projects funded from general resources amounted to \$123.6 million. Allocations in excess of resources were issued on the basis of letters of commitments from the World Bank confirming allocations of \$200 million to UNDP, as discussed in note 29 to the financial statements.

"Capacity 21" Trust Fund

45. Established in 1993, this trust fund was created to finance the provision of technical cooperation to assist developing countries in building their capacity at all levels of society to implement Agenda 21, through, inter alia, support for the formulation and implementation of sustainable development strategies and action plans.

46. As shown in statement XXIV, the Fund received total contributions of \$19.6 million during the current biennium and incurred expenditures amounting to \$0.3 million, inclusive of administrative costs of \$0.2 million. The Fund's unexpended resources amounted to \$19.3 million as at 31 December 1993, of which \$0.8 million has been committed to project activities.

Programme support costs

47. At its thirty-ninth session in 1992, the Governing Council decided that the reimbursement schedule for administrative and operational support services shall also apply to projects financed by UNDP-administered trust funds. ^{7/} These costs are included in programme support costs: executing agencies, in statements V to XXVI.

^{7/} Ibid., 1992, Supplement No. 8 (E/1992/28), decision 92/22, para. 18.

II. REPORT OF THE BOARD OF AUDITORS

Introduction

1. The Board of Auditors has examined the financial statements of the United Nations Development Programme (UNDP) for the period 1 January 1992 to 31 December 1993, in accordance with General Assembly resolution 74 (I) of 7 December 1946, and article XVII of the Financial Regulations of UNDP. The audit has been conducted in conformity with article XII of the Financial Regulations and Rules of the United Nations and the annex thereto, and the Common Auditing Standards of the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. These standards require that the Board plans and performs the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

Audit objectives and approach

2. The Board's audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The examination was based on an assessment of UNDP accounting systems and controls and a test audit in which all areas of the financial statements were subject to direct substantive testing of transactions. The audit also included an assessment of the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. The examinations were conducted at UNDP headquarters in New York and at country offices in Argentina, Burkina Faso, Costa Rica, Egypt, India, Indonesia, Madagascar, Mexico, Mozambique, the Niger, Pakistan, and Thailand. The Board considers that its audit approach provides a reasonable basis for its opinion. Whilst the financial statements are the responsibility of UNDP management, the responsibility of the Board is to express an opinion whether, based on its audit, the financial statements present fairly the financial position of UNDP as at 31 December 1993.

3. The Board's examination included a general review and such tests of the accounting records and other supporting evidence as it considered necessary in the circumstances. These audit procedures are designed primarily for the purpose of forming an opinion on the financial statements of UNDP. Consequently, the work carried out by the Board did not involve a detailed review of all aspects of budgetary and financial information systems and the results cannot be regarded as a comprehensive statement on them.

4. In addition to our audit of the accounts and financial transactions, the Board carried out reviews under article 12.5 of the United Nations Financial Regulations. The reviews primarily concern the efficiency of financial procedures, the internal financial controls and, in general, the administration and management of UNDP.

5. In the biennium 1992-1993, the Board examined the following areas:

- (a) Programme and project management;
- (b) Procurement of supplies and equipment;

(c) The strategic management of information technology;

(d) The use of consultants.

6. A list of the Board's principal recommendations is found in paragraphs 9 to 13. A summary of the main findings, arising from the Board's work is reported in paragraphs 14 to 46. The detailed findings are reported in paragraphs 47 to 232.

Action taken on recommendations in previous reports to the General Assembly

7. The Board has, as requested by the General Assembly in its resolution 47/211 of 23 December 1992, carried out a review of the measures taken by UNDP in response to the recommendations made by the Board in its audit report for the biennium ended 31 December 1991. ^{1/} Whilst UNDP has responded positively to the Board's recommendations, it still requires to give attention to the implementation of a reliable inventory management system, internal audit coverage of headquarters and the planning of office automation. The details of the actions taken by UNDP, together with the comments of the Board, are set out in the annex to the present report. A number of the topics covered are also discussed further in the present report.

Overall results

8. Subject to the restriction on the scope of our audit described below in paragraphs 47 to 49, the Board's examination revealed no weaknesses or errors considered material to the accuracy or completeness of the financial statements as a whole. In accordance with normal procedures, the Board recorded significant findings in management letters to UNDP. None of these matters affected the Board's audit opinion on the UNDP financial statements and schedules for the period.

Conclusions and recommendations

Financial matters

9. The Board's financial audit examination has identified a number of matters which it considers should be addressed by UNDP or where additional disclosure in the financial statements should be considered. Specifically, the Board recommends that:

(a) UNDP should report to the Executive Board on how the funds held in the reserve for transitional measures will be utilized (para. 55);

(b) An overall implementation plan should be drawn up for the disposal of properties in the field (para. 58);

(c) UNDP should clarify its guidelines on the definition of unliquidated obligations (para. 68);

^{1/} Official Records of the General Assembly, Forty-seventh Session, Supplement No. 5A (A/47/5/Add.1), sect. II, para. 7.

(d) UNDP and the executing agencies should work together jointly to address the problems with the successor support cost arrangements that were encountered in 1992-1993 (para. 76);

(e) UNDP should aim to review and decide all cases involving financial loss and personal responsibility within six months. In addition, when staff are appointed to senior positions with significant financial responsibilities, they should be sent a personal letter of appointment setting out succinctly the nature of these responsibilities and how they will be held accountable (paras. 97 and 98).

Management issues

Programme and project management

10. The Board's examination has revealed a number of areas where there is scope for improvement in the management of programmes and projects. Specifically, the Board recommends that:

(a) UNDP should consider streamlining the Country Programme Management Plan to focus on key issues where headquarters support is required. UNDP might consider moving towards "exception reporting" (para. 119);

(b) The Integrated Programme Management project should be afforded high priority and be developed as soon as practicable (para. 123);

(c) UNDP should perform an evaluation of the effectiveness of local Project Appraisal Committees (PACs) as a matter of some urgency (para. 134);

(d) The appraisal process should be reinforced by systematic recording and follow-up of PAC recommendations (para. 137);

(e) Suitable guidance (including training) on setting appropriate objectives and measuring their achievement should be provided to programme staff (para. 141);

(f) All parties involved in a project should formally approve the completed workplan to signify their commitment to achieving project objectives in the proposed time-frame and their agreement that the plan is realistic (para. 144).

(g) UNDP should reaffirm the requirement for on-site monitoring of projects (para. 155);

(h) UNDP should introduce a formal mechanism to ensure that lessons learned from project evaluations are disseminated effectively (para. 171).

Use of consultants

11. The Board concluded that there is scope for improving the procedures employed by UNDP in the selection and recruitment of consultants to ensure that the potential market is being adequately tested. In particular, the Board recommends that formal records, appropriately signed and reviewed, should be maintained which record the consultants considered for a post, the selection criteria applied, and justification of the final choice (para. 176).

Procurement of goods and services

12. The Board found that the procurement of goods and services by UNDP is conducted in compliance with the financial rules and regulations. However, a number of areas were identified where the Board believes there is scope for improvements. Specifically, the Board recommends that:

- (a) UNDP should evaluate the potential cost and benefits of sponsoring staff in a formal programme of training (para. 186);
- (b) Response rates to invitations to bid should be closely monitored by management to identify the major reasons for non-response and to correct any recurring problems (para. 193);
- (c) UNDP should improve its use of suppliers rosters (para. 197);
- (d) UNDP should make more use of public advertising (para. 198);
- (e) UNDP should view adopting a more flexible role for the Contracts Committee and invite purchasing specialists from other organizations (public and private) to attend the Committee to bolster its expertise in procurement (para. 202);
- (f) UNDP should emphasize to all staff the importance of completing receipt and inspection reports (para. 210);
- (g) UNDP introduces performance measures and targets as soon as practicable to assist management in monitoring and assessing the efficiency of procurement activities (para. 211).

Management of information technology

13. The Board concluded that UNDP has achieved a low return on its investment in information technology. The information needs of UNDP are not met adequately by existing systems. The Board recommends that UNDP establishes a documented information technology strategy which clearly sets out objectives, priority areas, timetables and resource implications. This will require the direct involvement and commitment of senior management throughout UNDP to ensure its successful implementation (para. 230).

Summary of main findings

Financial matters

On programme expenditure incurred by executing agencies and national Governments

14. The Board has received a sufficient number of audit certificates in 1992-1993 from the auditors of executing agencies to enable it to form an opinion on the reported expenditures. The Board has, therefore, been able to remove the long-standing qualification of the audit opinion in respect of agency expenditures. However, the Board did not receive a sufficient number of audit certificates concerning nationally executed project expenditures. The Board has accordingly limited the scope of its opinion to exclude these expenditures (paras. 47-49).

On reserves

15. The Board noted the creation of two new reserves; the reserve for budgeted separations and the reserve for transitional measures. The Board also noted that schedule 7 to the financial statements discloses an over-expenditure on the reserve for field accommodation of some \$16.5 million in excess of the level authorized by the Governing Council (paras. 52-65).

On unliquidated obligations

16. The Board found a large number of invalid unliquidated obligations during its final audit examination. The main reasons for the errors included a failure to reference disbursements to the relevant obligation; obligations raised which related to activities in future years; and failure to surrender obligations when the related activity had been cancelled (paras. 66-68).

On revised support cost arrangements

17. The Board found that both UNDP and executing agencies had encountered initial difficulties in implementing the revised support cost arrangements smoothly. The Board noted that as a consequence of the difficulties encountered, UNDP has been unable to validate approximately \$1.5 million of support costs reported by agencies (paras. 71-76).

On UNDP trust funds

18. The Board noted a number of deficit balances on trust funds amounting in aggregate to \$320,000. This is in contravention of the Financial Regulations (paras. 77-85).

On inventory management

19. UNDP was unable to provide a valuation of non-expendable inventory as at 31 December 1993. The Board noted that UNDP is currently testing an inventory management system for headquarters and expected to have it in place by the end of 1994 (paras. 86-88).

On personal responsibility and financial liability

20. The Board reviewed a number of cases where serious breaches of financial rules and regulations had been brought to the attention of the Committee on Personal Responsibility and Financial Liability. The Board noted that the Committee is an innovation in the United Nations system and sees much merit in its activities. However, the Board found that in the cases they examined, no formal disciplinary proceedings were taken against the staff concerned. In addition, only modest recoveries of losses had been made in 1992-1993 (paras. 89-98).

Management issues

Programme and project management

On implementation of the programme approach

21. The Board found that the development of guiding principles for the implementation of the new programme approach had been a lengthy process. Overall, however, the Board concluded that UNDP has made steady progress with the implementation of the programme approach (paras. 112-116).

On the Country Programme Management Plan

22. The Board found that the detailed Country Programme Management Plans submitted by country offices were not used by UNDP headquarters in any consistent or systematic way. The Board concluded that there is currently no mechanism to allow headquarters to monitor and control effectively the implementation of country programmes (paras. 117-119).

On management information systems

23. UNDP is aware of the deficiencies in their project management information systems and has now begun to develop an Integrated Programme Management System to address the programme information needs of country offices and headquarters (paras. 120-123).

On project formulation

24. The Board found that the Framework for screening project ideas was rarely used during project formulation (paras. 127-129).

On project appraisal

25. The Board found that all projects up to \$1 million in value are now approved by local Project Appraisal Committees (PAC) under delegated authorities. The Board noted that there are sometimes difficulties in finding suitably qualified independent consultants to sit on local PACs (paras. 132 and 133).

26. The Board found that there is no facility to record and follow-up PAC recommendations. The Board found there was no evidence that recommendations made by the PAC had subsequently been incorporated into some projects (paras. 136 and 137).

On project implementation

27. The Board found that in almost 50 per cent of the projects examined, objectives and outputs were not stated in terms which facilitated easy measurement of project progress or achievements. Often, outputs and achievements have been measured only in terms of the funds expended (paras. 139-141).

28. The Board found that project workplans were often of poor quality and that in a large proportion of projects, the workplans did not, in their view, provide a realistic basis for project implementation (paras. 142-144).

29. The Board concluded that monitoring of projects has become highly mechanistic and had not been carried out effectively in 40 per cent of the projects examined (paras. 151-157).

30. The Board noted that there is some evidence that the reliability of government inputs to technical cooperation projects is deteriorating. There is often very little UNDP can do to compensate for problems arising where inputs are inadequate (paras. 145-150).

31. The Board found that there is limited facility at headquarters for effective financial monitoring of programmes and projects. In particular, the Board was concerned to find that it was not possible to obtain timely management information to determine what proportion projects were delivered to time and budget (paras. 160-161).

32. The Board found that in a number of projects examined, there were misgivings about the sustainability of the projects once UNDP funding and support were withdrawn (paras. 162 and 163).

On evaluation

33. The Board found that there is no effective mechanism for feeding back the results of lessons learned from project evaluations and there is, therefore, a risk that avoidable mistakes are being repeated (paras. 164-171).

Use of consultants

34. The Board found that the UNDP Financial Rules and Regulations on procurement do not make any distinction between different types of contract. But different parts of UNDP operate different procedures with regard to the approval of consultancy contracts. The Board found also that documentary evidence pertaining to the short-listing and selection of consultants was not maintained (paras. 174-179).

Procurement of goods and services

On financial rules and regulations

35. The Board found that the procedures employed by UNDP generally provide a sound framework for procurement activities. However, the Board considers that simple adherence to the rules will not of itself secure best value for money. The Board believes that there is scope for fostering a more imaginative and commercial approach to purchasing (paras. 182-184).

On professional training

36. The Board noted that very few staff in the procurement sections have any recognized qualifications in procurement. The volume of purchasing now undertaken by UNDP, especially by the Office for Project Services (OPS), warrants the use of specialist staff with relevant experience and training in purchasing techniques (paras. 185 and 186).

On procurement planning

37. The Board found that formal procurement plans are not being prepared on a systematic basis and concluded that there is considerable scope for improving the planning of procurement actions (paras. 187-191).

On testing the market

38. The Board found that there is a tendency to invite the absolute minimum number of bids required. The vendors listings and suppliers roster, where maintained, were of limited utility and UNDP rarely used public advertising (paras. 192-198).

On the Contracts Committee

39. The Board found that the vast majority of submissions presented to Contracts Committee were approved as presented. The Committee membership does not include any experts or specialists in procurement but relies upon generalists drawn from within UNDP (paras. 199-202).

40. The Board found that the reasons given for seeking waiver action appeared acceptable in the individual circumstances described. However, the general level of waivers granted appears high compared to the total volume of business and should be monitored closely (paras. 203 and 204).

On headquarters procurement

41. The Board found a number of weaknesses in the procedures applied by headquarters purchasing unit, including inadequate bidding procedures and an absence of written instructions on procedures (paras. 205-207).

On delivery of goods

42. The Board found that procedures for reporting the receipt of goods were not applied consistently. Formal receiving and inspection reports were completed in less than 3 per cent of OPS procurement actions examined by the Board (paras. 208-210).

On performance measurement

43. The Board found that UNDP does not currently employ any performance measures or targets in assessing the efficiency of procurement activities (para. 211).

Management of information technology

On the status of UNDP information systems

44. The Board found that the UNDP information systems are often old, lack integration and overlap considerably in terms of functions. In the Board's view, the development of adequate programme information systems for headquarters is now one of the most critical problems facing UNDP. The Board notes that UNDP has responded positively to its recommendations, but progress in these areas has to date been limited (paras. 215 and 216).

On the UNDP information technology strategy

45. The Board found that UNDP has not yet developed a coherent and documented strategy for the use of information technology (paras. 217-224).

On systems development

46. The Board found that UNDP does not have a standard methodology for monitoring and controlling system development projects (paras. 226-230).

Part I: Financial matters

Programme expenditure incurred by Governments and executing agencies of the United Nations system

47. UNDP includes in its financial statements details of expenditure incurred on its behalf by executing agencies and by Governments. This information is based on annual expenditure statements certified and submitted to UNDP each year. These statements should be supported by audit certificates. The Board does not have access to the expenditure records of executing agencies or Governments and consequently it relies, where possible, on the work of other auditors, as evidenced by the audit certificates. The audit certificates provide adequate assurance that the funds provided by UNDP have been accurately reported and properly expended on UNDP projects. In 1992-1993, \$1,848 million was expended under these arrangements.

48. In previous bienniums, the Board has qualified its audit opinion on the basis that insufficient audit evidence regarding the programme expenditures of executing agencies of the United Nations system was available at the time of the finalization of the UNDP financial statements. To assist UNDP in addressing this problem, the Board contacted the external auditors of the major executing agencies via the United Nations Panel of External Auditors to ascertain whether audit certificates could be made available in time for the Board to consider them. The Board received an extremely positive response from the agency auditors and is pleased to report that by mid-June 1994, audit certificates were received in respect of agency expenditures of \$1,198 million out of a total of \$1,198 million. Although a small number of differences were noted between the detailed expenditures reported in schedules 2 and 2.1 and the final audited statements submitted by agencies, they are not material and do not impact on the audit opinion.

49. In 1992-1993, total expenditure on nationally executed projects was \$650 million. As at mid-June 1994, the required audit certificates had been received, in respect of programme expenditures totalling \$523 million. Owing to the non-receipt of audit certificates in respect of \$127 million, the Board has insufficient evidence to form an opinion in respect of this expenditure. Accordingly, the Board has restricted the scope of its opinion to exclude this expenditure.

Common accounting standards in the United Nations system

50. In 1993, the Advisory Committee on Coordination (ACC) approved common accounting standards for use throughout the United Nations system. The General Assembly took note of the standards in its resolution 48/216 C of 23 December 1993.

51. The Board reviewed UNDP compliance with the common accounting standards and found that UNDP generally applied the standards for the biennium 1992-1993. However, the following areas need further consideration for 1994-1995:

(a) Inventory: as noted in paragraph 86 of the present report, the value of non-expendable inventory is not currently available. UNDP expects that a reliable valuation of inventory items will be available by the end of 1994 and has undertaken to disclose its value together with the method of valuation in a note to the 1994-1995 financial statements;

(b) Land and buildings: note 18 (b) to the financial statements discloses for the first time the estimated value of UNDP future leasehold commitments as at 31 December 1993 (\$14.75 million for country office leases and \$59.37 million for headquarters). The financial statements do not, however, give any indication of the value of other land and buildings owned by UNDP. The Board recommends that UNDP aim to disclose the value of all land and buildings owned by the Organization in the 1994-1995 financial statements;

(c) Contributions in kind: the financial statements do not currently disclose the value of contributions in kind received from Governments or others. UNDP considers that contributions in kind for projects are not material in the context of overall programme expenditure. However, UNDP will identify in-kind contributions to the administrative budget and report on these, if they are considered material. Some of these are already identified for the purpose of measuring government contributions to local office costs;

(d) Inter-agency Procurement Service Office (IAPSO): the direct procurement services provided by IAPSO have grown dramatically in recent years. In 1992-1993, IAPSO procured equipment worth \$74.8 million and generated extrabudgetary income of \$3.1 million (disclosed in schedule 4 to the financial statements) by charging a handling fee to customers. IAPSO requires customers to make payments in advance and held \$5.6 million of such deposits as at 31 December 1993. These amounts are currently included in accounts payable disclosed in statement II and are classified under the heading of miscellaneous field office payables in note 16 (b) to the financial statements. The Board believes that the gross income and expenditures of IAPSO and its assets and liabilities are sufficiently large to warrant full and separate disclosure in the financial statements. UNDP has agreed to move towards such disclosure in 1994-1995.

Reserves

Reserves for budgeted separations

52. As stated in note 7 (b) to the financial statements, the Governing Council, at its fortieth session in 1993, approved the proposals of the Administrator to meet certain separation costs from the 1992-1993 budget allocations. During the examination of items recorded as unliquidated obligations at 31 December 1993, the Board identified a large obligation of \$6,359,000 relating to these costs. In the opinion of the Board, this was not an appropriate accounting treatment. The Board reached this opinion because none of the separations concerned had been formally agreed as at 31 December 1993.

53. The Board considered it more appropriate to disclose the earmarking of funds, in respect of proposed staff separations through the setting up of a reserve. This presentation fully discloses the impact on the surplus of income over expenditure for the biennium 1992-1993 and also draws attention to the precise purpose of the reserve. Since the establishment of a reserve requires formal approval under Financial Regulation 12.2 (c), the Executive Board may wish to confirm its agreement to this accounting treatment and indicate the length of time the funds should remain available for utilization.

Reserve for transitional measures

54. At its fortieth session, the Governing Council also approved the proposal of the Administrator to apply savings earned in 1993, up to a ceiling of 1.5 per cent of the 1992-1993 core appropriation, to meet transition costs associated with the smooth implementation of the 1994-1995 budget strategy. Accordingly, the sum of \$7.2 million has been allocated from the surplus of income over expenditure for the biennium 1992-1993 to fund these costs including, for example, further costs of staff separations, training and computer systems development (including the integration with Integrated Management Information Systems (IMIS)).

55. The Board noted that although the full \$7.2 million had been reserved to meet these transition costs, only \$3.6 million had been allocated for the specific purpose of meeting transitional salary costs. UNDP had not, at the time of the Board's examination, determined precisely how the remaining funds were to be utilized. The Board recommends that UNDP report to the Executive Board on how the funds will be used. The Executive Board may also wish to indicate the length of time the funds should remain available for utilization.

Reserve for field accommodation

56. In 1971, UNDP concluded that the lack of adequate housing for UNDP personnel was the single most important factor affecting the timely delivery of the UNDP programme in a number of countries. Regular monitoring of the housing problems resulted, in 1979, in a Governing Council decision (decision 79/43 of 2 July 1979) to establish a reserve for field accommodation. 2/ The reserve was used to finance the provision of housing through loans to Governments.

57. The Board conducted a review of these arrangements and found that the stock of UNDP housing and office properties has grown considerably over the years. By the end of 1993, UNDP managed 790 properties in 41 countries of which the vast majority, 750, were houses. Most of these houses were rented to staff from United Nations agencies. As at November 1993, there were 165 (21 per cent) property units listed as vacant. This implies significant over-capacity and a considerable amount of rental income foregone. It is essential, in the Board's opinion, to reduce the housing stock to levels consistent with current needs.

58. UNDP is fully aware of the need to rationalize the housing stock and is actively engaged, where possible, in ending its obligations in respect of these properties. However, the Board notes that there is no prescribed timetable or plan for doing this. The Board, therefore, recommends that an overall implementation plan be drawn up so that the disposal of properties can more easily be monitored and controlled. UNDP has accepted the Board's recommendation and is currently devising a detailed timetable and workplan for 1994-1995.

59. The Board also examined the arrangements for setting rents and found that UNDP has moved to address some significant problems in recent years. Formerly, maintenance costs, which were met by UNDP country offices, were charged through local imprest accounts as advance payments to be recovered from future revenue. However, rental incomes proved insufficient in some cases to recover these costs

2/ Official Records of the Economic and Social Council, 1979, Supplement No. 10 (E/1979/40, chap. XXI).

and over time the size of these balances has increased. At the end of 1993, the Board found that approximately \$1 million (net) was recorded as being receivable.

60. To resolve this problem, UNDP has reviewed rent levels and now retains 25 per cent of rental income locally to meet maintenance and other administrative charges. UNDP therefore expects to be able to reduce the large receivable balances which have built up. In practice, current rents are now being set at a level sufficient to ensure recovery of the costs incurred.

61. In the Board's opinion, it may be necessary in 1994-1995 to consider taking formal write-off action in recognition that the expenditure originally incurred may not now be recovered. UNDP agrees that this may be appropriate in some cases but has told the Board that it is determined to explore and exhaust all avenues to recover the balances before resorting to write-off action.

Over-expenditure on the Reserve for Field Accommodation

62. The accounting policy with regard to the reserve for field accommodation (note 1 (f) to the financial statements) records that the Governing Council authorized the over-commitment of the reserve by up to \$10 million provided that funds disbursed did not exceed \$25 million at any one time. Activity on the reserve over the period 1988 to 1993 is summarized below:

Table 1. Status of the Reserve for Field Accommodation, 1988 to 1993

	1988	1989	1990	1991	1992	1993
(Thousands of US dollars)						
Total advances outstanding	8 431	9 998	13 497	18 595	28 194	41 503
Balance of investments (over-expenditure)	16 569	15 002	11 503	6 405	(3 194)	(16 503)

63. Over the period from 1988 to 1993, the total expenditure through the reserve has increased significantly. Moreover, expenditures have greatly exceeded the authorized level for the reserve of \$25 million. This over-expenditure is financed currently from general resources.

64. UNDP informed the Board that the over-expenditure has occurred because construction costs for new office accommodation have been financed by UNDP, in advance of the receipt of funds from other agencies that will be sharing the office accommodation. As the construction costs relate to the important United Nations initiative for the United Nations System Common Premises, UNDP did not want to delay construction. UNDP explained that construction in seven countries started, initially, on UNDP offices within the mandate of the Reserve. However, following the policy regarding the establishment of United Nations System Common Premises agreed by the Joint Consultative Group on Policy (JCGP), the General Assembly and the Secretary General, the premises were expanded at the request of the JCGP agencies to accommodate their office needs. This was on the understanding so that UNDP would be reimbursed for the additional costs

incurred. UNDP has told the Board that formal undertakings have been received from Agencies to meet approximately \$13.5 million of the total construction costs. In this regard, the Board notes that two of the main agencies concerned (the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA)) have disclosed in their financial statements, their liabilities to meet a share of these construction costs.

65. The Board is concerned that the authorized level of the reserve has been exceeded. The Board was advised that action has been taken to recover the funds advanced by UNDP and in the future such a situation will not arise for new projects. In order to allow full consideration of the issues involved, the Board recommends and UNDP has agreed to present the Executive Board with an expenditure plan for the next three to five years which demonstrates clearly whether the authorized level of \$25 million is sufficient to meet the Organization's future needs.

Review of unliquidated obligations

66. Financial Rule 114.3 requires that "no contract, agreement or undertaking ... shall be entered into until funds have been reserved in the accounts, by means of an obligating document". Those obligations which are wholly or partially outstanding at the end of the financial period and which represent valid liabilities are accrued as expenses and disclosed in the financial statements as unliquidated obligations. The criteria used to determine whether an obligation remains valid at the period end are set out in the summary of significant accounting policies at note 1 (b).

67. The Board reviewed the status of a sample of 76 unliquidated obligations, as at 31 December 1993, drawn from across the whole of UNDP headquarters, OPS and Trust Funds. The Board found that 22 of the 76 obligations, amounting in value to approximately \$7.9 million, did not meet the criteria laid down in the accounting policies and did not represent valid liabilities against 1993 budget appropriations. The main reasons for the errors identified by the Board included:

- (a) Failure to reference disbursements to the relevant obligation;
- (b) Obligations raised that related to activities which had been cancelled, but the related obligation had not been surrendered;
- (c) Obligations raised at the period end which related to activities to be performed in future years and which were not therefore valid liabilities as at 31 December 1993.

68. During the examination, the Board noted also that a number of high-value obligations were recorded in the accounts after 31 December 1993. On further investigation, it was found that some certifying officers were misinterpreting the guidance issued by the Division of Finance. The Board recommends that UNDP clarify its guidelines, and in particular, define explicitly the terms "firm order" or "contractual agreement" in the context of obligations for purchases. The Board recommends that only those contracts or purchase orders signed on or before 31 December represent valid liabilities which may be included in unliquidated obligations.

Country office audits

69. As noted in the introduction to the Board's report, the audit examination included visits to 12 country offices. Significant findings arising from those audits have been raised in management letters with UNDP. During the audits, some problems were noted which were common to the majority of offices visited.

(a) Bank reconciliations: the Board found that time-expired cheques were not being cancelled and written-back into the cash balances. In one case, it was noted that a cheque was listed as a reconciling item over one year after it had been issued;

(b) Inventory records: the Board noted a number of instances where country office inventory records were not fully up to date.

70. Other significant matters raised with specific country offices included the need to review payments which had been held for over six months in suspense as "advances recoverable locally"; the need for improved procedures in some offices to control the use of official vehicles; and the need to ensure that salary advances to staff are made strictly in accordance with the financial rules and regulations. UNDP has responded positively to the Board's observations arising from these visits and the matters raised are not considered material to the accounts as a whole.

Revised support-cost arrangements

71. In 1991, the Governing Council, in its decision 91/32 of 25 June 1991, ^{3/} approved new arrangements for the payment of support costs to executing agencies. Under these successor arrangements, a new system of reimbursement (called the "new regime") applies to five large specialized agencies (the United Nations, the Food and Agriculture Organization of the United Nations, the International Labour Organization, the United Nations Industrial Development Organization, and the United Nations Educational, Scientific and Cultural Organization) and to the UNDP Office for Project Services (OPS).

72. The new regime makes a distinction between technical support services (TSS) and administrative and operational services (AOS). Under the new regime, AOS costs should not exceed 10 per cent of the cost of programme delivery. Technical support services are reimbursed at a standard cost charge per work-month. Administrative and operational services are grouped into clusters of services, each cluster bearing a separate rate of reimbursement (ranging from 4 to 21 per cent of programme costs). This is a major departure from the previous flat rate approach and is therefore more complex to administer for both the executing agencies and UNDP.

73. The Board reviewed the extent to which the successor support-cost arrangements have been implemented successfully. The Board noted that the original intention was to introduce the new arrangements from 1 January 1992. However, in view of the complexity of the arrangements, the Governing Council approved a transition period to 1 July 1992, in order to achieve a smoother implementation. Definitive guidelines on budget formats were issued in October 1992 followed by details of the new reporting requirements in July 1993. This allowed insufficient time for the executing agencies to install the necessary reporting systems to calculate and record the support costs under the

^{3/} Ibid., 1991, Supplement No. 13 (E/1991/34), annex I.

new regime. Consequently, UNDP headquarters assumed the main responsibility for calculating these support costs in 1992.

74. For 1993, project expenditures and AOS reported by agencies have been recorded and, where possible, UNDP has validated AOS charges by project budget lines. However, in some cases, UNDP was unable to validate AOS charges. The main difficulties encountered by UNDP in 1993 included:

(a) A large proportion of project budgets (at least 50 per cent) which were not prepared in the required format;

(b) Not all project budgets were recorded in UNDP management information systems, or the budget data recorded by UNDP had been superseded;

(c) Expenditures which were erroneously charged to incorrect or non-existent budget lines.

75. As a consequence of these problems, the support costs reported in schedule 2.1 to the financial statements differ from those reported by executing agencies by approximately \$1.5 million. UNDP is currently engaged in resolving these discrepancies and will make any necessary adjustments in 1994. The Board concluded that the difficulties encountered in 1992-1993 arose principally from the implementation of the revised successor support cost arrangements before the detailed operational requirements and related procedures had been devised.

76. To avoid a recurrence of these problems in 1994-1995, the Board recommends that UNDP provide the agencies and its own programme staff with comprehensive guidance aimed at addressing the specific problems encountered in 1992-1993. If necessary, UNDP should provide formal training to its staff and equivalent seminars with key agency staff, on the reporting requirements of the revised support-cost arrangements. The Board recommends that further efforts be made to ensure that all executing agencies meet fully the changes in reporting requirements that have become necessary as a result of the successor arrangements.

UNDP trust funds

77. Regulation 5.1 of the Financial Regulations of UNDP provides for the Administrator to establish trust funds for specified purposes consistent with the policies, aims and activities of the Organization. A number of trust funds were established by the United Nations General Assembly and are now administered by UNDP. As at 31 December 1993, UNDP had under its administration 85 trust funds and 72 sub-trust funds.

78. The Board performed a general review of the administration of trust funds and identified a number of areas which it believes require attention.

Deficit balances

79. The Board noted four trust funds where expenditure in 1992-1993 has exceeded income resulting in deficit balances on the funds, totalling \$320,000 as at 31 December 1993. This is contrary to the Financial Regulations. The Board was advised that action has been taken to obtain the necessary funding as soon as practicable to restore the balance of the funds concerned.

UNDP support costs

80. Trust funds in general rely to varying degrees upon support services provided by UNDP core resources, for example, support provided in the field by resident representatives or accounting services rendered by the Division of Finance. However, in many cases only minimal support costs are charged by UNDP (sometimes as low as 1 per cent) and it is not evident to the Board that the full costs of providing these services are being recovered.

81. The Board recommends that UNDP review the methodology used to calculate support costs to ensure that the full cost of UNDP support is recovered. Based on the chosen methodology, a workload study could be included to determine the full extent of support provided by headquarters units and country offices.

Integration of trust funds with UNDP programme activities

82. Trust funds have been established to meet specific purposes and in the case of the larger funds, have often developed a discrete identity and organizational structure. In addition, the number of trust funds administered by UNDP continues to grow (in 1984, there were only 8 trust funds in operation; in 1993, there were 85).

83. Although 9 trust funds and 18 sub-trust funds were closed during 1992-1993, the Board noted that 21 new trust funds and 28 sub-trust funds were established. In addition, the Board noted that 6 of the 21 new trust funds did not have any financial activity during the biennium and that 6 of the ongoing sub-trust funds were also inactive. In order to minimize the administrative costs associated with the management of trust funds, the Board urges UNDP to continue its efforts to close down inactive funds.

84. The distinct roles of some trust funds, differing administrative procedures for approving and implementing projects, and the growth in the number of funds complicates their integration with mainstream UNDP programme activity. UNDP is aware of the importance of integrating trust fund activities and has addressed the issue in a number of ways including:

(a) Centralizing the management of large trust funds, with the exception of the United Nations Development Fund for Women (UNIFEM), under the control of the Bureau for Programme Policy and Evaluation;

(b) Outposting some trust fund staff into regional bureaux in order to improve liaison and coordination of programme activities.

85. The Board welcomes these developments and notes that efforts are continuing in these areas. In particular, the Board notes that UNDP is considering the introduction of a standard fund management approach with uniform management, structures and processes for all programme funds, including trust funds. In addition, trust fund activities will be incorporated in the Programme Financial Management System along with the indicative planning figures and cost-sharing programmes to ensure consistent and compatible information for all sources of funds. The Board would urge UNDP to move forward with these initiatives.

Inventory control of non-expendable property

86. Financial rule 114.28 requires the maintenance of property records and provides for physical inventories to ensure adequate control over such property. In its report for the biennium 1990-1991 the Board drew attention to the failure

to comply with the financial rules in respect of inventory. Checks of headquarters inventory, confirming the existence and location of inventory items, had not been carried out since 1986-1987. Based on ex-post-facto checks, the administration considered it unlikely that there had been significant losses of UNDP property in the past. However, as inadequate records had been maintained for several years, significant losses or misappropriation of assets could not be ruled out. Accordingly, the Board recommended that appropriate measures should be taken to establish adequate property records.

87. The Board has once again reviewed the UNDP inventory records and found that some progress has been made in the development and implementation of an inventory system. However, as at 31 December 1993, UNDP was unable to produce a reliable valuation for assets held in the field or at headquarters and has not therefore disclosed any inventory valuations in the 1992-1993 financial statements. The Board has been assured that action is well in hand to issue revised policies and procedures and to implement a comprehensive inventory recording system by the end of 1994. A computerized system has already been developed and implemented on a pilot basis at headquarters (HQINVENT) and the field office inventory system (FOINVENT) is now in operation in country offices. In some offices, however, the system requires further refinement before it can produce reliable inventory records.

88. The Board welcomes these developments and trusts that UNDP will make every effort to ensure that reliable inventory management systems are in place by 31 December 1994. In the Board's opinion, further delay would be unacceptable. These serious deficiencies have exposed the Organization to a significant risk that the loss or misappropriation of assets would remain undetected. In this regard, the Board notes that UNDP intends to conduct a physical count of inventories held at headquarters as soon as practicable after completion of the pilot phase of the new system. The conduct of such inventory checks may be a time-consuming and resource-intensive task, but is essential to the establishment of an accurate inventory record.

Personal responsibility and financial liability

89. The Board reviewed cases where serious breaches of financial rules and regulations had been brought to the attention of an ad hoc Committee on Personal Responsibility and Financial Liability. This committee operates in the context of Financial Rule 103.2 which states:

"All officials of UNDP are responsible to the Administrator for the regularity of actions taken by them in the course of their duties. Any official who takes any action contrary to these Financial Rules or to instructions which may be issued in connection therewith may be held personally responsible and financially liable for the consequences of such action".

90. In 1992-1993, the Committee reviewed 35 cases identified over the period 1986 to 1993 involving UNDP funds of \$2.8 million. The cases examined by the Committee typically involved procurement irregularities, loss or misappropriation of funds or equipment and various unauthorized transactions carried out by staff members. The most significant of these cases, involving procurement irregularities, resulted in a payment in excess of \$800,000 to a contractor in respect of a series of articles published in 1991 on UNDP activities in Africa.

91. The Board found that the UNDP had conducted a detailed investigation of the circumstances of this case before deciding to settle the contractor's claim for payment out of court. That decision followed an extensive investigation by internal audit and advice from the United Nations Office of Legal Affairs. In view of the amount involved and the serious issues raised by this case, the final settlement was authorized by a Special Review Committee, convened under the chairmanship of the former Administrator. UNDP concluded, despite the procurement irregularities, that:

(a) UNDP was under a contractual obligation;

(b) The published articles were delivered, were of good quality and were acceptable;

(c) The rate charged for the published articles was not excessive and a discount was afforded by the publisher.

92. The negotiated settlement of \$827,000 was lower than the original claim and excluded any interest and other costs incurred by the publisher whilst awaiting settlement. UNDP was satisfied that a service of value had been received and that therefore there was no financial loss to the organization. UNDP informed the Board that letters of reprimand referring to the serious breaches of financial rules were sent to the senior staff involved and, although no disciplinary action was taken, none of the senior staff concerned remains with the organization.

93. The Board examined this case carefully and was disturbed to find that senior officials had committed UNDP to expenditure of this magnitude, yet all of the organization's key procurement controls had been bypassed. A commitment of this size should have been provided for in the UNDP budget and the selection of the contractor needed Contracts Committee approval. None of these procedures was followed. The Board notes that UNDP is satisfied that no financial loss was suffered and that the necessary actions have now been taken consistent with the Financial Regulations and Rules. However, there is no doubt that the original transaction was highly irregular and has resulted in the diversion of significant financial resources to an unplanned and unbudgeted activity. In the absence of full disclosure in the financial statements, the Board therefore considered it necessary to report this item separately.

94. Other cases reviewed by the Board included a number of other procurement irregularities where staff had either knowingly or inadvertently breached the procurement rules. In one case, still under review by UNDP, a country office had purchased computer equipment amounting to approximately \$240,000 and had effectively circumvented the procurement rules. Furthermore, the transactions had not been charged to the administrative budget of the office concerned, but had been recorded as an advance payment in the local imprest account. Instances where staff members applied funds to unauthorized activities such as hospitality expenses, personal expenses (e.g. vehicle repairs) or travelling business class instead of economy class air travel were also reviewed by the Board. In the majority of these cases, the sums involved were relatively small (between \$1,000 and \$3,000) and were generally recovered from the staff concerned.

95. The Board notes that UNDP takes the issue of personal responsibility most seriously and that the organization has since made the ad hoc committee a formal Standing Committee on Personal Responsibility and Financial Liability. The Board notes also that the Standing Committee is an innovation in the United Nations system and sees much merit in its activities as it sends a clear signal

to staff that they are responsible for the propriety of their actions. In recovering financial losses directly from staff, the Committee is actively deterring malpractice and is thereby promoting a strong culture of accountability. In this regard, the activities of the Standing Committee are noteworthy in the context of General Assembly resolution 47/211 which requested executive heads of United Nations organizations and programmes to ensure that all existing financial and staff regulations and rules are strictly complied with, including those which assign staff members personal responsibility and accountability.

96. None of the cases examined by the Board resulted in formal disciplinary proceedings against staff. The Board acknowledges the distinction between procedures designed to recover financial losses and the procedures devised under the United Nations Staff Rules for disciplining staff. In the Board's view, however, there is clearly a need for a unified and consistent approach to dealing with irregular actions by staff members.

97. The Board notes also that in practice, only modest recoveries of the total amount reviewed by the Committee have occurred in 1992-1993 and that the process often took a considerable time to complete. For example, in November 1993 some cases identified in 1990 and 1991 were still under review. If the work of the Standing Committee is to have maximum impact, it is important that all cases are dealt with promptly and efficiently. The Board therefore recommends that UNDP aim to review and decide all such cases within six months of identification, subject to any necessary flexibility to ensure that due fairness and process is afforded to staff members.

98. While recognizing the steps which UNDP has taken, the Board feels that there are further measures which might be taken to explain more clearly to staff the nature of their responsibilities and the standards expected of them. The Board recommends that UNDP introduce a Code of Ethics for UNDP employees setting out in addition to the existing guidelines on the Standards of Conduct of International Civil Servants, guidance for the conduct of business. Further, when staff are appointed to senior positions with significant financial responsibilities (for example, heads of divisions, resident representatives) they should be sent a personal letter of appointment from the Administrator or Assistant Administrator, Bureau for Finance and Administration (as appropriate) setting out succinctly the nature of these responsibilities, the actions expected of the individual concerned, and how they will be held accountable. UNDP informed the Board that a code of ethics is in preparation and action to draft a letter of appointment, for review and consideration by senior management, has been initiated.

Cases of fraud and presumptive fraud

99. During the biennium, the Board was informed of 14 cases of fraud involving funds totalling \$95,248 of which UNDP has recovered \$54,302 as of May 1994. In each of the eight cases involving staff members, disciplinary action was taken. In six of these cases, the staff member concerned was separated or resigned. In an additional four cases still under review, involving amounts totalling \$19,674, no recovery action has yet taken place.

Property written off, ex gratia payments and write-offs of cash and receivables

100. As reported in paragraph 21 of the Financial report for the biennium ended, UNDP non-expendable property totalling \$537,744 was written off during the biennium. The Board was also given details of an ex gratia payment of \$36,413

and write-offs of cash and receivables amounting to \$154,941. The Board is satisfied with the information and explanations provided in respect of these items and has no observations to make.

Part II. Management issues

UNDP programme and project management

Introduction

101. At 31 December 1993, UNDP was funding over 5,000 projects with total estimated costs over their lifetime of \$5.6 billion. Expenditure on programme activity in 1992-1993 amounted to \$2.05 billion, excluding support costs but including commitments.

Table 2. Programme and project activity from 1988 to 1993

Year	Programme activity (millions of United States dollars)	Number of projects	Average project value - budget (thousands of United States dollars)
1988	833	5 901	740
1989	898	6 052	770
1990	1 043	6 140	835
1991	1 137	6 189	876
1992	1 027	5 736	992
1993	1 017	5 083	1 120

Strategic considerations

102. In recent years, there have been a number of significant developments in respect of the strategic management of UNDP activities, including:

- (a) Emphasis on the programme approach as opposed to a project-based approach;
- (b) Calls for greater decentralization of decision-making;
- (c) Preference for government execution of programmes and projects;
- (d) National ownership of the programme;
- (e) Resource constraints;
- (f) Changes in the source of funds.

103. If UNDP is to manage the changes associated with these developments, it is essential that it develop strategies and the associated policies and procedures necessary to secure their smooth implementation. It is equally important that

corporate information systems are in place which will enable senior management to monitor and control the successful implementation of the strategies adopted.

104. UNDP has recently redefined its goals in the light of these developments (see paras. 172 and 173 below). The Board hopes that the recommendations and observations arising from its examination will assist UNDP in the review of its business practices. Although it is too early for the Board to assess the likely impact of many of the new initiatives, it has included reference to them in the present report where appropriate. The Board welcomes, in particular, the emphasis on financial and substantive accountability which underlines many of the new initiatives and believes that these issues lie at the heart of many of the concerns expressed by the Board in the present report.

Funding of UNDP

105. UNDP-assisted projects are financed from UNDP voluntary contributions from donor countries, cost-sharing contributions and government counterpart contributions, the latter being indicative amounts representing government inputs to a project in cash or kind. The majority of UNDP voluntary contributions are allocated between countries on the basis of indicative planning figures (IPF), which are approved by the Governing Council. Under the formula used to allocate IPF, 87 per cent of resources goes to 65 countries (out of 124 receiving UNDP resources) whose gross national product per capita is \$750 or less.

106. UNDP voluntary contributions are falling as a proportion of total programme funding; from 87 per cent in 1988 to 70 per cent in 1993. Cost-sharing resources have almost doubled as a proportion of total funding; from 12 per cent in 1989 to 29 per cent in 1993. Cost-sharing resources are particularly significant in the Latin America programme, constituting more than two thirds of funding.

Method of execution

107. UNDP-funded projects are executed by the UNDP Office for Project Services (OPS), by Governments and by over 30 United Nations and other agencies. National execution is growing; from 11 per cent of the total programme in 1988 to 40 per cent in 1993 as shown below. This trend is consistent with the promotion by UNDP of self-reliance in developing countries.

Table 3. Project expenditure by type of execution

	1988	1989	1990	1991	1992	1993
	(millions of United States dollars)					
National execution	95	100	126	174	239	400
UNDP	81	90	122	175	176	170
Other agencies	657	708	898	788	612	436
Total	833	898	1 043	1 137	1 027	1 017

Scope of the examination

108. The Board undertook a review of UNDP management of its programme and projects. It covered:

- (a) The implementation of the new programme approach;
- (b) Whether procedures for project planning and appraisal provide a sound basis for project implementation;
- (c) Whether implementation of projects is effectively monitored;
- (d) Whether evaluation arrangements are satisfactory and the results usefully applied.

109. The review included an examination of UNDP procedures for preparing, implementing, monitoring and evaluating projects. This examination was supported by scrutiny of the files relating to 58 projects in 24 countries, discussions with headquarters and field office programme staff and visits to nine country offices. The selection of projects took account of the regional balance of programme activities, and focused on projects approved in the last five years.

110. The Board identified several factors over which UNDP exercises only limited control, but which may critically affect the implementation and impact of its development programmes and projects. These factors include:

- (a) Funding for multi-year development programmes is derived from voluntary contributions on an annual basis and is therefore subject to uncertainty. The declining share of official development assistance going to multilateral institutions such as UNDP imposes further financial constraints;
- (b) Over time, broad operational mandates have encouraged UNDP to spread its limited financial resources widely, adding to the complexity of programme management;
- (c) UNDP acts in partnership with executing agencies and national Governments whose full participation and commitment is vital to achieving value for money from UNDP development assistance. Although the respective roles and responsibilities of all parties are set out in project and programme documents, there are difficulties in some cases in enforcing agreements. The tripartite relationship can also diffuse the lines of accountability and responsibility for the overall success of a project or programme;
- (d) UNDP operates in a difficult, complex and dynamic environment. In some recipient countries, there is often political instability, limited institutional capacity, administrative constraints or poor social and economic infrastructures.

111. During its examination, the Board was mindful of the external constraints under which UNDP operates and has, therefore, concentrated on areas which are more directly within the effective control of UNDP.

Programme management

Implementation of the programme approach

112. Country programmes are prepared by each recipient Government, usually with the assistance of UNDP country offices to set out the development objectives of UNDP. These programmes, which have a five-year time-frame, have been criticized in the past for their "scatterized" approach to development assistance through a piecemeal portfolio of projects.

113. Since the passing of General Assembly resolution 44/211 on 22 December 1989, UNDP has been developing the necessary guiding principles and procedures required to implement a more focused programme approach. This has been a lengthy process. "Guiding principles" defining the programme approach and indicating how to follow and support it were issued in May 1993 and guidelines for the production of revised programme documentation were issued in November 1993.

114. The Board is concerned that, in the absence of authoritative guidance material, there was considerable scope for uncertainty and perhaps even confusion during implementation. This was corroborated during visits to some country offices where the Board was informed that UNDP programme staff and government counterparts were unclear about exactly what the new programme approach entailed. The Board noted also that in two countries Governments had continued to seek, and had obtained, funding for individual projects, which were not, in the Board's view, consistent with the new programme approach. A number of the programmes the auditors reviewed had set aside a portion of their programme funds to meet such ad hoc requests.

115. UNDP acknowledges the difficulties encountered in launching the new approach, but pointed out that its introduction was a complex, multifaceted exercise involving the whole of the United Nations system. UNDP is confident that, despite the initial difficulties, there is no lack of understanding in country offices regarding the programme approach and that this is now the preferred mode of delivery for UNDP assistance. In reference to the Board's comments that some projects appeared inconsistent with the new programme approach, UNDP responded that the Guidelines on the Programme Approach advise that interventions can be made at all levels. Hence, UNDP believes that discrete, self-contained projects are still useful, especially in the transitional period when all ongoing and negotiated projects will continue to be supported.

116. It is inevitable that implementation of the programme approach will involve a transition period and the Board has concluded that, overall, UNDP has made steady progress. The Board also found clear examples where the implementation of the programme approach is focusing UNDP assistance more tightly. For example, one country programme had reduced its project base from 85 to 39 in under three years.

Country Programme Management Plan

117. The Board noted that comprehensive mid-term reviews are carried out for all country programmes and presented to the Executive Board. At the detailed level, the Country Programme Management Plan (CPMP) provides a framework for the monitoring of the country programme and its resources; and is one of the mechanisms available to maintain effective communication between country offices and UNDP headquarters about planned actions in regard to the country programme.

CPMP should be submitted to headquarters every six months and covers a 12-month planning horizon; it should set out key events (e.g. evaluation missions) and report programme expenditures. This document is therefore viewed by the Board as a key mechanism for facilitating effective management and control.

118. It was originally intended to enter the information from CPMP into the central database of the Programme and Project Management System. The Board was concerned to find that, in practice, the CPMP information is not entered into any database and is not used in any consistent or systematic way by headquarters. Opinions on the usefulness of CPMP also varied; some programme staff believed that the document was too detailed and voluminous to be useful whereas others found it valuable.

119. Although the Board noted the extensive use of narrative reports in the absence of any systematic programme reports to headquarters from country offices, the Board has concluded that current mechanisms for effective monitoring and control by headquarters need considerable strengthening. UNDP acknowledges that CPMP is currently of limited value to headquarters and has told the Board that its format, function and use will be reviewed. The Board recommends that, as part of this review, UNDP should consider streamlining CPMP documentation and moving more towards "exception reporting", that is, CPMP should concentrate on problem areas where headquarters support is required.

Management information systems

120. The Board recognizes the importance of decentralizing decision-making and delegating as much responsibility as possible to country offices, but there remains a clear role for headquarters in the overall management of country programmes and projects. In an organization as large and diverse as UNDP, effective corporate management information systems are therefore essential to monitor and control the successful implementation of the strategies adopted.

121. At the macro level, UNDP is able to monitor the programme at the country and regional levels. However, the Board found that UNDP programme management information systems were, generally, old, unreliable and lacked integration (see also paras. 215 and 216 below). In practice, information is obtained through numerous stand-alone computer systems (e.g. headquarters Programme and Projects Monitoring System (PPMS), Field Office PPMS, Automated Field Office Accounting System, Income and Cash Management system etc.). The practical impact of these deficiencies is considerable as it is often necessary to create ad hoc reports or conduct time-consuming clerical exercises in order to meet reporting requirements or respond to the information requests of senior management, the Executive Board or the General Assembly (e.g., tracking expenditures on a thematic basis). In some cases, the information systems required to support the implementation of key strategies (e.g., national execution, revised support cost arrangements) were not operational.

122. UNDP is fully aware of the limited facility at headquarters for effective financial monitoring of programmes and projects. UNDP also pointed out that at an aggregate level expenditure data is available on a timely basis by country, agency and source of funds, and they considered it adequate for strategic control purposes.

123. In response to the Board's specific concerns, UNDP initiated a review, through external consultants, to evaluate the function and technical quality of existing and planned country office systems. Based on the consultants' recommendations, UNDP has now begun an Integrated Programme Management project

(IPM) which will address the project needs of country offices and headquarters for financial information on the programme. The Board notes, however, that this project is presently only at a very early stage and that no implementation date has been set. The Board trusts that the IPM project will be afforded high priority, and strongly recommends that it be developed as soon as practicable to meet the programme information needs of senior management.

Project management

Policy and procedures for programme implementation

124. Programmes are implemented through individual projects. Policy and procedures related to programme matters are set out in the Programme and Projects Manual (PPM). This manual is in three volumes and runs to over 1,200 pages. The PPM was last subject to a substantial revision in 1988 and is now out of date. UNDP acknowledged that the PPM is in need of a total review and plans to commence this exercise by June 1994. UNDP pointed out, however, that a series of instructions, guidelines, guiding principles and similar documents have been prepared and shared with all UNDP country offices. These supplementary documents are designed to be responsive to changing needs and priorities.

125. The Board welcomes the proposed review and restructuring of the PPM. In relation to this review, the Board recommends that UNDP considers the scope for reducing the size of the PPM and, in particular, developing an abridged version to serve as an easy reference guide for new and inexperienced programme staff. The Board noted that such a guide was already in use by the Asia and Pacific region.

Project identification and formulation

126. Projects should be identified in the context of the country programme development objectives. UNDP and executing agencies assist the Government in the identification and formulation of projects. The product of the planning and formulation process is a project document which specifies the need for UNDP assistance and which is submitted to UNDP for appraisal and approval.

Project Formulation Framework

127. The Project Formulation Framework (PFF) is intended as an analytical tool serving as a vehicle for discussion of the basic structure and content of a project before writing the full project document. In the view of the Board, a formulation framework document is a useful tool for inviting early feedback on a project concept and ensuring that costly resources are not devoted to progressing fundamentally flawed or ill-conceived project proposals.

128. During their review, the Board observed that a PFF is rarely completed during project formulation. It is a detailed document and, in practice, has often duplicated most of the content of the project document. In the Board's view, the effort involved in completing the PFF in its current form is not cost-effective and this has been corroborated by programme staff who generally see no added value arising from its production. In response, the UNDP told the Board that the continued relevance of the PFF will be considered during various ongoing reviews.

129. The Board believes that there is a need for some formal screening of project ideas and recommends that to overcome the main objections to the current PFF, UNDP should give consideration to devising new, simpler procedures.

Project documents

130. The project document states the scope and objectives of a project. It covers, among other things, how the project meets the objectives of UNDP; short and long-term project objectives; measurable indicators of achievement; activities and outputs required; inputs to be provided; preliminary work plans; and resource requirements. The project document is signed by authorized representatives of the Government, UNDP and the executing agency and constitutes a legal and binding agreement.

131. The project documents examined by the Board followed the required design criteria in all material respects, but were of varying quality in terms of content. Some specific shortcomings noted during the Board's examination are elaborated upon in later sections of the present report under the relevant subject heading.

Project appraisal

132. The purpose of appraisal is to determine whether the project meets UNDP funding criteria and whether the project design is conducive to the achievement of the proposed objectives. Formal appraisal of the project proposal is carried out by headquarters' Project Appraisal Committee (PAC) or by local PACs, where the value of the project is within the approval limit delegated to UNDP country resident representatives. The limit for approval by resident representatives was raised from \$700,000 to \$1 million in 1993. Approval of projects between \$1 million and \$3 million has been delegated by the administrator to regional bureaux assistant administrators. Projects over \$3 million must be submitted to the UNDP Action Committee (AC).

133. The increased limit for approval of projects by the resident representative has resulted in a greater number of projects being approved through local PACs. For local PACs to function effectively, thus ensuring that only high-quality projects receive UNDP funding, it is important that the country offices have access to the necessary expertise and advice. The Board noted that there are sometimes difficulties in finding high-quality, independent consultants locally. One country office visited by the auditors believed that the effectiveness of the local PAC was weakened by the lack of available technical expertise.

134. Although the Board has, in the past, recommended streamlining the project appraisal system, it is essential that the quality of project appraisals does not suffer in the process. It has been suggested that local PACs can strengthen their expertise by drawing on resident experts working locally with other United Nations or aid agencies, but this might not always be feasible. The Board believes that this is an area of critical importance to project design and therefore recommends that UNDP should review the effectiveness of local PACs as a matter of some urgency. The Board noted that an evaluation of the Programme Review Committee and the Project Appraisal Committees is planned for 1994.

135. UNDP acknowledges the Board's concern and believes they are being addressed by the "programme management package" currently under development. This package includes the development of a corporate consultant roster comprised of experts screened and recommended by technical specialists at headquarters. In addition, guidance is being provided to resident representatives on ways of ensuring that

the appraisal process is sufficiently authoritative, thorough and independent to produce a satisfactory result. In completing the programme management package, the performance of local PACs will be thoroughly reviewed and the results incorporated into the guidelines issued.

Follow-up of PAC recommendations

136. The PAC system is an important control mechanism for checking that the project properly meets the aims of UNDP and the Government and has been formulated in accordance with best practice. The effectiveness of this control function may be compromised by the absence of a systematic mechanism for follow-up of PAC recommendations.

137. The Board noted a number of cases where there was no evidence that recommendations made by PAC had been incorporated into the project. In one case examined, project approval was given subject to a number of technical recommendations. There was no evidence that any of these recommendations had been incorporated into the project document and no evidence of any follow-up by PAC. In another case, the same criticisms of project design made by PAC were later made in monitoring and evaluation reports. It is the view of some field offices that the nature of the technical advice provided did not sufficiently take into account the practical realities of actual implementation at the country level. Nevertheless, the Board recommends that the appraisal process be reinforced by systematic recording and follow-up of PAC recommendations and that this action be a condition of project approval. UNDP agrees with the Board's recommendation, and stated that formal procedures to ensure compliance with PAC recommendations will be introduced in the near future.

Key factors in project implementation

138. In the course of its examination, the Board attempted to identify key factors, within the control of UNDP, which are important to the overall success of a project which it defined as the delivery of project outputs to quality, time and budget. In arriving at the list of factors, the Board took account of projects submitted by the regional bureaux as examples of best practice. The factors which the Board identified are:

- (a) Setting of clear and measurable objectives;
- (b) Production of a realistic and comprehensive work plan;
- (c) Government inputs;
- (d) Effective monitoring;
- (e) Sustainability.

Measurable objectives

139. Good objectives are working targets derived from the development aims of the project, which show in measurable terms what the project intends to achieve. In 28 of the 58 projects examined, objectives and outputs were, in the opinion of the Board, not stated in terms that facilitated easy measurement of project progress or achievements in either qualitative or quantitative terms.

140. Often outputs and achievements have been measured only in terms of "delivery", that is, project and programme expenditure. Moreover, this emphasis

on delivery appears to have been used as an informal measure of the performance of country offices; a good office was one which delivered more than was expected, a poor office delivered less. In recent years, however, there has been increasing awareness that, in the absence of suitable measures for assessing performance of a project, it is not possible to demonstrate clearly that development objectives have been achieved, or to enforce proper accountability for the resources consumed. In this regard, the Administration's recent initiatives to reinforce substantive accountability constitute steps in the right direction. The Board will monitor progress in these areas in future audits.

141. The Board recognizes that it is not always easy to measure the impact of project activities, particularly in the social and economic sectors. However, there is clearly scope for improvement, for example, by defining measurable intermediate outputs. UNDP has also acknowledged the need to place more emphasis on the importance of achievement and output measures. The Board therefore recommends that suitable training courses be developed and that examples of best practice be identified and disseminated to programme staff. The Board also recommends that the emphasis on clearly identifying outputs should not be restricted to recent or new projects but that deficiencies in older ongoing projects should also be remedied wherever practicable. UNDP has undertaken to take the Board's recommendations into consideration in the determination of training priorities. In addition, UNDP will take steps to improve output definition in ongoing projects where practicable.

Project work plans

142. A project work plan is vital for organizing and implementing project activities in an efficient and coordinated manner. The Board was therefore concerned to find that project work plans were often of poor quality and concluded that in 24 (over 40 per cent) of the projects examined, adequate work plans had not been prepared.

143. Projects are often approved without a detailed work plan, with the stipulation that preparation of the plan will be the first task of the project manager (usually the chief technical adviser of the executing agency). There appears, however, to be little or no follow-up to check that a detailed work plan has been prepared. On the basis of the work plans examined, the Board concluded that, in a large proportion of projects, the plans did not provide a realistic basis for project implementation and that this is likely to be a major contributory factor to project overruns in respect of both time and budget.

144. The Board recommends that programme staff should be reminded of the importance of preparing high-quality work plans which clearly assign responsibilities for the activities set out in the project document; set target dates for delivery of activities and establish activity budgets against which implementation can be measured. In view of the importance the Board attaches to comprehensive work plans, the Board further recommends that all parties involved in the project should formally approve work plans to signify their commitment to achieving the objectives in the proposed time-frame and their agreement that the plan is realistic.

Government inputs

145. Government commitment is a fundamental component of the approach of UNDP to development assistance and is formally enshrined in country programme and

project documents. With the growth of national execution, the importance of government inputs to the success of programmes and projects will also increase.

146. The Board therefore reviewed the extent to which Governments were meeting their commitments in the projects examined. The most significant problems noted by the Board were experienced in the following areas:

(a) Failure to comply with UNDP reporting requirements and procedures (e.g. failure to produce project progress reports or to complete annual audits of projects);

(b) Delays in appointing counterpart staff.

147. There is some evidence that, especially in certain of the less developed countries, government contributions to projects has been deteriorating. In particular, the organization is increasingly being asked to pay local costs which were normally the responsibility of Government. This is especially significant as far as the provision of project personnel is concerned. It is proving to be more and more difficult to obtain, in sufficient numbers, qualified and motivated counterparts from whose limited number UNDP and other aid agencies draw national project staff. UNDP, in similar fashion to other donors, has been constrained to make ad hoc arrangements through salary supplements and other incentives to attract and retain government staff to work on projects. These issues are now being addressed by UNDP and other donors and will necessarily lead to a re-examination of the way technical cooperation is provided, the validity of the expert/counterpart concept, as well as the whole question of sustainable institution building.

148. Regarding the failure of Governments to comply, under national execution, with substantive and financial reporting on projects, UNDP acknowledges that this has been one of the difficulties encountered in promoting national execution. On the basis of experience to date, new Guidelines on National Execution currently under preparation will address this question through emphasizing the need for compliance, as well as by introducing a new role for country offices to support national execution.

149. The Board noted that in practice there is often very little that UNDP can do to compensate for problems arising from inadequate government inputs. Ultimately, the only effective sanction that UNDP can apply is to withdraw funding for the project concerned and thus bring project activities to a complete stop. Only very rarely would such drastic action be considered appropriate, and the Board did not find any examples of such action during their review.

150. With regard to the specific problems noted in securing government compliance with UNDP procedures, the Board recommends that UNDP explore the scope for accommodating departures from standard procedures, providing the prime objectives of these procedures are satisfied. For example, provided that progress reports are submitted in an acceptable format, it is not necessary for them to match exactly the format prescribed in the PPM. The Board believes that, in some cases, this may significantly ease the burden on national Governments who may find it difficult to meet widely differing internal and external reporting requirements.

Project monitoring

151. Monitoring is the effective oversight of the implementation of a project. It should ensure that project activities are proceeding according to plan, as set out in the project document and the project work plan. Monitoring is important because, if properly carried out, it can identify project problems and initiate remedial action. Responsibility for monitoring rests largely with country office programme staff.

152. The key project monitoring tools are Project Performance Evaluation Reports (PPERs), produced annually by the project's managers; and annual tripartite review meetings of Government, executing agency and UNDP representatives. The PPER is generally used as the basis for discussion in the tripartite reviews.

153. The Board concluded that monitoring of projects has become highly mechanistic: often, apparently, carried out to satisfy an administrative requirement rather than to encourage remedial action. In 23 (40 per cent) of the projects examined, the Board concluded that monitoring had not been carried out effectively. A number of the reports did not cover the key project issues and often failed to address realistically project problems. The absence in some cases of any monitoring reports, in clear breach of project agreements, called into question whether any effective monitoring had been carried out. Furthermore, it was not always evident that the overdue reports had been actively pursued by the country office.

154. These concerns apply equally to the recommendations made in the monitoring reports. It did not appear that there is any formal system of follow-up to ensure that recommendations arising from monitoring reviews have been implemented. It is important that the responsibility for following up recommendations and outstanding monitoring reports be formally assigned, most appropriately to country office programme officers. In the Board's view, this would increase the effectiveness of the monitoring process and improve the accountability of programme staff.

155. UNDP has approximately 140 programme officers plus many national staff in the country offices who, according to the UNDP job classification, are generally expected to allocate about 60 per cent of their annual workload to programme and project monitoring. During country visits, the auditors noted that monitoring was not always given this priority attention. That opinion is corroborated by a recent study by the UNDP Central Evaluation Office which reported that "the majority of field offices (56 per cent) spend a small proportion (less than 20 per cent) of total programme staff time on monitoring and evaluation functions". In view of this, the Board considers that there is scope for closer local monitoring. The Board recommends that UNDP reaffirms the requirement for programme officers to visit project sites each year.

156. UNDP agrees with the principle underlying the Board's recommendation regarding physical inspection of projects, but wish to ensure that, rather than being automatic, such visits should be directed to problem solving and assigned on a priority basis. The Board acknowledges that this is consistent with its recommendation on "exception reporting", but believes that UNDP should ensure all projects are visited at least annually, that is, even those projects that have not reported any problems should be visited to verify that this is the case and to provide an opportunity for project staff to seek any advice or assistance that may be required.

157. The role of UNDP headquarters in project monitoring was not clear to the Board. The auditors noted that project files retained at headquarters contained varying amounts of monitoring documentation; some contained none. In view of the varying practices observed at headquarters, the Board recommends that UNDP review its monitoring information requirements. In particular, the Board recommends that consideration be given to "exception reporting" to headquarters. This would entail reporting to headquarters on a needs basis rather than as a matter of routine. In the Board's view, this would give headquarters monitoring a more meaningful focus to take action in problem areas and increase accountability.

Financial monitoring of projects

158. As noted above, the Board found that there is limited facility at headquarters for effective financial monitoring of programmes and projects.

159. In connection with country office monitoring, the Board was interested to note that one country office visited by the auditors has introduced a formal requirement for programme officers to monitor that requests for funding from project executing staff are appropriate and relevant to the project. In the Board's view, this is a useful mechanism for country office control and monitoring of project expenditure. UNDP has informed the Board that this function is normally included in the operation of programme support units and is carried out by a large number of offices. The programme management guidelines being developed will include reference to the need for more consistent and rigorous application of such financial monitoring at the field level.

160. The Board tried to obtain information from UNDP on how many projects were delivered to time and budget. It was not possible to obtain this information. However, many of the projects examined had substantial budget increases and it appeared that in some cases, budgets had simply been revised to accommodate actual expenditures. In the Board's opinion, UNDP could not demonstrate adequately what mechanisms were in place to ensure that resources were well spent before budget increases were proposed and sanctioned. The Board noted, during its final audit examination, that some 76 projects executed by OPS had exceeded their budgets by more than \$50,000 as at 31 December 1993. Although in 22 cases the over-expenditures were covered within the 20 per cent flexibility under the two-year rolling budget concept, the remaining 54 were explained on the basis of unforeseen or urgent expenditure.

161. In the Board's view, the aim to deliver projects to time and budget is an essential target and performance measure, particularly important in times of financial constraints. UNDP agrees that the delivery of projects to time and within budget is an important target and performance measure and expects the development of new programme management information systems to allow this basic information to be monitored at headquarters.

Sustainability

162. The importance of ensuring sustainability of programmes and projects is now given great emphasis, and is central to the success of the new programme approach. The Board found that in a number of projects examined there were misgivings about the sustainability of the projects once UNDP funding and support were withdrawn. Doubts over sustainability generally arose from such factors as lack of evidence that Governments had made adequate counterpart and budgetary provisions or a perceived lack of the Governments' capacity to sustain project activities in the longer term.

163. However, the Board was unable to find any independent evidence on the general sustainability of UNDP projects except for some data provided by the UNDP Central Evaluation Office (CEO). The CEO data, which related to terminal evaluations conducted on 153 projects approved since 1988, indicated that 30 per cent of the projects examined were not sustainable. In August 1993, UNDP issued updated Guidelines for Evaluators setting out a framework for assessing project relevance, performance and success, including sustainability. In view of the importance of ensuring sustainable development in future, the Board recommends that UNDP consider mounting a specific exercise to determine how many projects completed more than three years ago have proved to be sustainable. This exercise, which could be conducted in collaboration with other interested parties (e.g. executing agencies and Governments), should yield many lessons which would prove valuable in ensuring the sustainability of future projects and programmes.

Evaluation

164. In its examination of evaluation procedures, the Board reviewed the role of the UNDP Central Evaluation Office. In particular, the Board sought to establish whether sufficient programme and project evaluations are being carried out and whether the lessons learned from these evaluations are systematically fed back into UNDP programmes and projects.

165. The Central Evaluation Office is primarily responsible for managing and overseeing the process of evaluation, both within UNDP and in collaboration with agencies and Governments. As such, it has a limited budget for conducting evaluation missions, and performs very few directly itself. The vast majority of evaluations are carried out by the operational units of UNDP or executing agencies. It is mandatory for all projects in excess of \$1 million to be evaluated. The cost of evaluation missions (estimated on average to be in the region of \$35,000 each) is charged directly to project budgets.

166. In attempting to assess whether all projects in excess of \$1 million were, in fact, undergoing evaluations, the Board was hampered by the absence of reliable management information. The CEO computer database is not a reliable record of all evaluations conducted. In addition to a significant backlog in the processing of completed evaluation reports, CEO believes fewer than half of completed evaluation reports are sent to them for analysis. In total, the CEO database includes more than 2,100 recorded evaluation reports out of which 1,087 reports have been processed. The Board was assured by UNDP that the level of coverage is close to 80 per cent of eligible projects.

167. The Board has no means of verifying the assurance by UNDP that over 80 per cent of evaluations have been completed and is most concerned that relatively little data on the outcome of evaluations is available centrally. In particular, it is a matter of concern that it is not possible to identify those projects which have not been evaluated.

168. In addition to doubts about the coverage of evaluations, the Board is also concerned about the quality of some of the data, and of the reliability of the conclusions drawn from it. For example, the Board was surprised to find that, of the 153 terminal evaluations recorded on the database, 58 of the projects were deemed successful, yet 8 of them were also classed as not sustainable. In fact, only 16 (31 per cent) of the 58 successful projects were considered wholly sustainable. With respect to the quality of evaluation data, UNDP recognizes that the soundness and veracity of data is fundamental in drawing reliable conclusions. However, UNDP points out that the central evaluation database

itself has revealed the need to improve on the management and conduct of evaluations, and it is to this end that CEO has contributed to the strengthening of these processes through a revised and improved version of the Guidelines for Evaluators issued in August 1993.

Feedback of lessons learned

169. It is generally acknowledged within UNDP, that there is no effective mechanism for feeding back the results of lessons learned. The CEO database is not utilized by any operational units and, although CEO circularizes summaries of the main lesson learned, there is no way of ensuring these findings are taken into account during project formulation and appraisal.

170. The Board notes, for example, that the PPM guidelines on the Project Formulation Framework makes no reference to the need to take stock of lessons learned from other similar projects. It is also evident that PACs and the Action Committee are not required to take account of evaluation results during their consideration of project proposals.

171. The Board has therefore concluded that, as a result of the significant shortcomings identified during their examination, UNDP is not meeting the prime objectives of the evaluation process. To rectify this situation, the Board believes that CEO would need to be strengthened in order to oversee evaluation work effectively and to provide relevant, practical feedback and guidance to the substantive units of UNDP. In addition to strengthening CEO, the Board recommends that a formal mechanism should be introduced to disseminate "lessons learned" more effectively.

Developments in 1994

172. The Administrator announced recently a strategy for the UNDP programme entitled "Future of the United Nations Development Programme: initiatives for change" (DP/1994/39), which will focus UNDP actions world wide around the concept of sustainable human development. The Executive Board welcomed this strategy (decision 94/14).

173. With regard to project management, UNDP told the Board that it recognizes the importance of (a) clear and measurable objectives; (b) realistic and comprehensive work plans; (c) effective monitoring; (d) sustainability; and (e) feeding back into operations the lessons of evaluations. The lack of clear objectives and measurable outputs had made monitoring and evaluation very difficult in the past, particularly since UNDP itself lacked an overall substantive focus. The new substantive focus of UNDP, contained in the report of the Administrator (DP/1994/39), whereby projects will need to demonstrate measurable progress in promoting sustainable human development in the context of a national framework for sustainable human development, will help overcome this problem. Furthermore, the Administrator has created the new Office for Evaluation and Strategic Planning to help ensure that future programming incorporates past lessons. The Board takes note that under the tripartite relationship (Government, executing agency, UNDP), particularly in national execution with growing cost-sharing, managerial authority for detecting problems and correcting project course lies increasingly with national executing agencies and Governments themselves, as part of "national ownership" and "national capacity-building".

Use of consultants

174. In 1992-1993, UNDP let 5,257 consultancy contracts worth \$83.1 million (an average of \$16,000 per contract). This value represents the total contracted value to date rather than actual expenditure during the period.

175. In its report on the biennium 1990-1991, 1/ the Board noted that the use of Special Management Service Contracts (SMSCs) infringed the staff rules. The Board found that, although no new SMSCs have been used since January 1993, existing contracts have been extended pending the introduction of a new form of long-term contract.

176. UNDP informed the Board that a new contract for Activities of Limited Duration (ALD) will be introduced on a trial basis from 1994. ALD is considered an important and much needed mechanism to bring in specialized staff on a non-career basis. It was intended to introduce the new form of contract quickly, but in practice, the process required extensive consultations within the United Nations system and this took longer than expected. Because the new contract offers a degree of long-term employment, it was felt that it should offer some staff benefits, particularly participation in the Pension Fund. It is therefore significantly more costly to UNDP than the SMSC arrangement. The Board recommends that the cost implications for UNDP be properly assessed at the end of the pilot phase. This assessment should also consider whether, (a) consultants actually wish to be covered by such benefits; and (b) offering consultants the full level of benefits that would apply to staff members is appropriate.

177. The Financial Regulations and Rules on procurement do not make a distinction between types of procurement contracts. This issue was raised by the Board in 1990-1991 when it questioned whether consultancy contracts, valued at more than \$100,000 should be referred to the Contracts Committee. In 1992-1993, the situation remained confused with different parts of UNDP operating different procedures depending on the nature of the contract involved. In response to the Board's observation, UNDP has undertaken to define clearly the types of contract which should be referred to the Contracts Committee.

Selection procedures

178. The Board reviewed a sample of consultancy contracts. It found no documentary evidence of formal short-listing procedures, demonstrating a review of the market, as would be expected normally in the procurement of goods and services. To safeguard the transparency of the contractual process and demonstrate equity, formal records, appropriately signed and reviewed should, in the Board's view, be monitored. In particular, a record should be kept of all consultants considered for a post, the selection criteria applied and assessment procedures undertaken, all interviews conducted and the justification of the final choice. The Board understands that UNDP will address these issues in the revised guidelines currently being drafted and which are expected to be issued by July 1994. UNDP also intends to introduce a centralized roster of consultants during 1994.

179. In regard to the selection of consultants, UNDP informed the Board that a key source of consultants is the pool of former staff members of the United Nations system who possess the relevant experience and skills in a number of fields. The current limit on remuneration for such staff is \$12,000 per annum established by the General Assembly in 1981 and is considered by UNDP to be unnecessarily restrictive some 13 years later. The Board recognizes that the

\$12,000 limit is now more constraining than it was in 1981. A periodic review of the limit would seem appropriate in order to ensure that the real value is not unduly eroded by inflation.

Procurement of goods and services

Introduction

180. Procurement of goods and services is a vital part of UNDP operational and administrative activities. Estimated expenditure in 1992-1993 based on data supplied by UNDP is shown below:

Table 4. Estimated procurement expenditure 1992-1993

	Number of purchase orders	Value (millions of United States dollars)
Office for Project Services (OPS)		
Headquarters	2 941	201.0
Country office	175	3.4
Contacts for services and works (headquarters and field)	1 992	200.0
Total OPS		404.4
Headquarters purchasing		
Supplies and equipment (headquarters and field)	5 044 <u>a/</u>	11.6
Services		2.7
Total, headquarters		14.3
Total, estimated expenditure		418.7

* Including services.

Scope of the audit examination

181. The Board examined procurement practices for goods and services in the Office for Project Services, and at UNDP headquarters. In the course of the examination, the Board reviewed:

(a) The financial rules and regulations governing procurement actions, the extent to which they promote best practice and value for money, and the level of compliance with laid down procedures;

(b) The role of the UNDP Contracts Committee in the procurement process;

(c) The efficiency of procurement procedures and the use of measures or indicators to assist in monitoring the performance of purchasing sections and of suppliers.

Financial Rules and Regulations

182. UNDP Financial Rule 114.18 states the general principles which shall be considered in carrying out the procurement functions of UNDP, including concern for value for money, fair competition and the source of supply.

183. The general principles outlined above underpin the detailed procurement procedures set out in the General Administration Manual and the Operations Handbook of the Office for Project Services. The Board has confirmed that the procedures employed by UNDP are consistent with the governing regulations and rules and that they generally provide a sound framework for procurement activities.

184. The Board wishes to emphasize, however, that the Financial Regulations and Rules, in many ways, represent only the minimum standards consistent with maintaining sound internal controls. Simple adherence to the rules will not, on itself, secure best value for money and, indeed, in the Board's view is unlikely to represent best value procurement. The Board considers that the Regulations and Rules should be viewed only as a framework and believes that there is scope for a more imaginative and commercial approach to purchasing that will generate genuine and tangible savings for UNDP.

Professional training

185. The Board noted that very few staff in the procurement sections have any recognized qualifications in purchasing or have received anything other than basic training. The Board believes that the volume of procurement activity now undertaken by UNDP, and especially OPS, warrants the use of specialist staff with relevant experience and training in procurement techniques. In the short term, the Board suggests that a few suitably qualified staff might be recruited externally. For the longer term, the Board recommends that UNDP should evaluate the potential costs and benefits of sponsoring staff in a programme of formal training.

186. UNDP has noted the Board's recommendation on the need to develop staff capacities in procurement as a specialist function and has informed the Board that OPS plans to institute, by mid-1994, specialized training programmes for procurement staff. Efforts will be made to arrange joint training programmes for both OPS and UNDP staff, with the possible coordination of IAPSO. The Board welcomes these developments.

Project procurement planning

187. Proper planning is essential to secure the best value from procurement actions. Good planning allows sufficient time to research the market and ensure that as many suppliers as possible are invited to bid. It should facilitate also the coordination of procurement actions in respect of multiple requests for the same goods, thus enabling volume discounts to be negotiated. Thorough planning also enables purchasing sections to prioritize procurement requests and to perform their duties in an orderly and efficient manner.

188. From an examination of project and procurement files at UNDP headquarters and at country offices, it is apparent that formal procurement plans are not being prepared on a systematic basis. Project staff have acknowledged in discussions that, in practice, they do schedule their purchasing activities in operating to project workplans. These are not, however, made available to other

staff who carry out procurement activities on their behalf, at country offices or headquarters.

189. For international procurement at headquarters, OPS requires that Project Management Officers (PMO) submit a requisition order to the purchasing section. This should generally be done three to six months in advance of the target delivery date for competitive bidding, or one to two months, if there is no competitive bidding. The Board examined 28 purchase orders processed by OPS and found that these procedures are seldom followed. The requisition documents rarely specified a target delivery date but frequently asked for purchases to be completed "urgently" or "as soon as possible". Requisition documents also tended merely to list the equipment and supplies needed for a project and therefore required further investigation by the purchasing section in order to schedule procurement actions.

190. The Board therefore concludes that there is considerable scope for improving the planning of procurement actions in general and in particular for projects. This is further corroborated by an analysis of 153 project evaluations by the UNDP Central Evaluation Office, which revealed that 46 per cent of projects suffered some delay in the procurement of equipment. In one country the Board visited, a project was delayed almost one full year owing to delays in receiving computer equipment.

191. UNDP has acknowledged that procurement plans require improving and, in response to the Board's observations, OPS proposes to issue supplemental instructions on the completion of requisition documents. OPS has already issued instructions to project officers concerning the setting of realistic target delivery dates in their requisitions. A circular has also been issued to staff in headquarters instituting a more scheduled approach to requisitioning office supplies, furniture and equipment. The Board welcomes these developments and trusts that they will facilitate improved planning of procurement actions in the future.

Testing the market

192. The Financial Regulations of UNDP link the requirement for competitive bidding to the value of procurement actions. In 1992-1993, the regulations required competitive bidding procedures for all purchases of goods or services costing more than \$30,000; purchases costing more than \$100,000 have to be referred to a Contracts Committee.

193. OPS purchases of goods and supplies amounted to \$147 million in 1992-1993. In its examination, the Board examined a sample of 28 cases selected randomly. The Board found that, in most cases, not all the companies invited to submit bids did so. The review suggests also that there is a tendency to invite the absolute minimum number of bids consistent with the Financial Regulations. Consequently, where companies fail to respond, it is doubtful if the prime objective of short-listing, namely testing the market, is being achieved. In 23 cases where short-listing and bidding data were available, the Board found that approximately one in three suppliers contacted declined to submit bids. Moreover, in 5 of the 23 cases examined, even though more than one supplier responded, in practice there was only one acceptable bid (i.e., the other bids were incomplete or failed to meet specifications).

194. In response to the Board's observations, UNDP has agreed that more action is required to ensure the market is being truly tested. In this regard, the Board notes that OPS now requires procurement officers to explain the reasons in

cases where an insufficient number of suppliers have submitted bids. In addition, there is now a requirement to short-list at least six suppliers for purchases over \$30,000 and preferably nine or more firms for purchases over \$100,000.

195. The Board welcomes these developments and recommends that response rates to invitations to bid should be closely monitored in future. This should enable OPS to identify the major reasons for non-response and to correct any recurring problems that may be identified. For example, if suppliers felt insufficient time was allowed for response, or that specifications were drawn too tightly, then OPS could take steps to address these issues.

Suppliers roster

196. A comprehensive, up-to-date and well maintained suppliers roster is essential for the efficient and effective conduct of competitive bidding exercises. In the absence of a comprehensive suppliers database, there is a risk that UNDP rely upon only a relatively small number of suppliers with whom the procurement staff are familiar. OPS maintains a roster of consulting firms for services, and a vendors listing for goods and supplies that provides basic details of suppliers. The Board's examination revealed, however, that both are of limited utility. In the cases examined, it was apparent that many other sources of supplier information were utilized, including catalogues, IAPSO databases and the knowledge of individual staff members.

197. In response to these observations, the Board was told that OPS was addressing the need for improving existing suppliers rosters in the context of the United Nations/IMIS project developments. By the end of March 1994, the OPS suppliers roster contained approximately 2,500 suppliers. The Board welcomes this and recommends that OPS should also make further improvements to roster procedures by checking that prospective suppliers are technically competent, well managed, adequately resourced, financially stable and reliable. UNDP has informed the Board that the OPS Purchasing Section has since instituted a new procedure whereby suppliers are now scrutinized closely, including aspects relating to financial and technical capacity. In addition, OPS now takes steps to confirm the viability of a supplier with whom they want to contract for an amount of \$100,000 or more.

Advertising

198. The Board found that UNDP rarely resorts to advertising although prospective purchases are sometimes advertised in the United Nations publication "Development Business". The Board was informed that, in common with other United Nations agencies, OPS does not normally resort to public advertising of bids. Such advertising is not usually considered cost-effective, given the limited staff resources at UNDP command. However, the Board believes that there is considerable scope for increasing the use of open advertising, especially for high value purchases and recommends that UNDP explore the possibility of making more use of public advertising. In response to the Board's observations, UNDP intends to issue revised instructions later in 1994.

Headquarters Contracts Committee

199. The members of the Contracts Committee are UNDP staff members selected for their wide experience within UNDP; they are not procurement or purchasing specialists. The Committee's role is to review proposed procurement actions and render written advice to the Chief Procurement Officer; this primarily involves

ensuring compliance with procurement principles, rules and regulations. In order to carry out its work, the Committee receives written submissions on proposed contracts and can interview purchasing staff to the extent considered necessary.

200. There were 297 submissions to the UNDP Contracts Committee (value \$105.7 million) during the period January 1992 to October 1993. The nature of submissions received and the decisions reached by the Contracts Committee are summarized below.

Table 5. Approvals granted by the Contracts Committee during the biennium 1992-1993

Nature of submission to Contracts Committee and decision	Percentage by value	Percentage by number of submissions
International competitive bidding: submission approved as presented	49	39
International competitive bidding: request for waiver approved	34	35
Local competitive bidding and field office leases: submission approved	15	20
All categories: submission rejected or referred	2	6
Total	100	100

201. The Board believes that by providing an extra layer of scrutiny to all significant cases, the Committee provides a clear deterrent to malpractice and thus enhances the accountability process. The Board suggests, however, that there is scope for being more selective in the cases which the Committee reviews. This would enable more detailed examination (including reviewing key documents such as the purchase requisition, detailed specifications, invitations to bid, suppliers responses, etc.) of a smaller number of particularly high-value or unusual submissions, while still retaining the right to review all cases above the prescribed threshold.

202. It might also be possible to review some cases for compliance with rules and regulations after the contract has been let rather than before, thus avoiding any possibility of delaying procurement actions unnecessarily. Under a more selective approach, there would also be no reason to restrict the Committee's involvement to the high-value submissions, a number of lower-value submissions could also be reviewed, thus enhancing the overall deterrent effect of the Committee. The Board also recommends that UNDP consider inviting purchasing specialists from other organizations, including private-sector commercial bodies, on to the Committee in order to bolster the expertise of the Committee and to ensure that UNDP keeps abreast of developments in modern procurement practice.

Waivers to the requirement for invitations to bid

203. Procedures requiring the use of international competitive bidding may be waived in favour of negotiated contracts in defined circumstances (Financial

Rule 114.23). During the period 1 January 1992 to August 1993, a total of 86 submissions involving a request for waiver of competition were put to the Contracts Committee. The total value of these procurement actions amounted to \$25.1 million, equivalent to 24 per cent of the total value of items referred to the Contracts Committee. An analysis was conducted of such waivers granted by the Contracts Committee and the results are set out below.

Table 6. Category and value of waiver granted 1992-1993

Category of waiver	Contracts Committee	
	Number of cases	(Thousands of United States dollars)
The proposed contract relates to the obtaining of the services of specific individuals (other than for staff services)	29	7 210
The Assistant Administrator determined that invitations for bids or requests for proposals will not give satisfactory results	23	6 834
The exigencies of the services do not permit delay	17	4 598
The proposed contract relates to procurement from a sole source of supply or perishable supplies	9	4 396
Standardization of supplies, equipment or spare parts	6	1 583
The prices or rates are fixed pursuant to national legislation or by regulatory bodies	2	502

204. The Board reviewed the submissions supporting the requests for waiver action and found that the reasons given were generally acceptable in the individual circumstances described. However, the general level of waivers granted seems high compared to the total volume of business and we would urge UNDP to monitor closely the use of waivers. In particular, we believe that only in exceptional circumstances should "urgency" be accepted as the main reason for waiver action.

Headquarters procurement

205. Procurement activities carried out by the Division for Administrative and Information Services were examined. In 1992-1993, DAIS procurement section made purchases amounting to \$14.3 million mostly in relation to items such as office supplies and equipment, office furniture and electronic data-processing (EDP) equipment.

206. During its examination, the Board examined a random sample of purchase orders of the Division for Administrative and Information Services (15 per cent by value) and made the following observations:

(a) Definitive procedures and guidelines to govern headquarters procurement activities were not available. The General Administration Manual did not address headquarters procurement procedures as it was intended to cover only country office procurement;

(b) In most cases examined, below \$100,000, where the requirement exists for competitive quotations or bidding, only minimal market testing had occurred. A suppliers roster was not maintained by the Division for Administrative and Information Services nor did they have access to the United Nations vendors roster or to OPS suppliers information;

(c) No arrangements existed to receive and record sealed bids, or to keep them unopened until a specified date. Bids could be faxed directly to the purchasing assistant without any attempt to maintain confidentiality. A deadline for submission of bids was not set, nor were there formal bid-opening procedures;

(d) Purchases of EDP equipment were dealt with as a series of one-of purchases in response to separate uncoordinated requisitions from operating divisions. The lead times provided by divisions was often short and did not therefore facilitate the consolidation of orders into a single planned procurement action. Such consolidation may have afforded the opportunity to negotiate bulk purchasing discounts and phased delivery;

(e) Procurement files relating to purchases were often incomplete and did not serve as a useful record of procurement decisions.

207. Although the Board acknowledges the limited resources devoted to headquarters procurement and the relatively low value of purchases carried out, it recommends that action is taken to address the weaknesses identified. Specifically, the Board recommended:

(a) That UNDP develop formal procedures to govern headquarters purchasing, including the need for proper short-listing procedures, safeguard the confidentiality and impartiality of bidding procedures, and introduce a planned procurement policy and maintenance of adequate procurement files;

(b) That UNDP should seek access to the United Nations vendors roster.

The Board is pleased to note that UNDP has responded promptly and positively to the recommendations and is addressing each of the concerns raised.

Delivery of goods

208. Supplies and equipment should immediately be inspected on receipt to ensure that the items comply with the contract and that their condition is satisfactory; an appropriate receiving report should be issued. This is especially important in relation to items received by country offices. However, it is apparent from visits to field offices and examinations carried out at headquarters that practice in this regard varies widely.

209. OPS has instituted a formal receiving and inspection report which should be returned from the field to the Purchasing Section within 15 days of goods being received. However, fewer than 3 per cent of individual cases examined by the Board complied with this requirement. Consequently, OPS has no assurance that assets, for which they have already made full payment, have been received. Formal acknowledgement of receipt is an essential internal control for

safeguarding the assets of an organization. It is also important that all losses or damaged goods are reported to enable OPS to submit insurance claims promptly.

210. UNDP acknowledges the difficulties achieving compliance with the requirement to confirm receipt of goods, especially at the country level where recipients are normally outside of the direct influence of purchasing staff. IAPSO has also reported that most United Nations agencies are reporting similar difficulties as far as procurement for field operations are concerned. In view of these continuing difficulties, it is strongly recommended that all staff in UNDP be reminded of the importance of completing receipt and inspection reports and that purchasing sections actively pursue cases where receipt is not acknowledged.

Performance measurement

211. The Board noted that UNDP does not currently employ any performance measures or targets in assessing the efficiency of procurement activities. Performance measurement is a key process in establishing accountability at both procurement officer and management levels; and is widely practised in both public and private commercial organizations. The establishment of realistic, quantified targets, agreed with staff, is part of this process. Regular performance reports reviewed by the responsible managers should identify adverse trends and poor performance as they start to happen and hence facilitate timely corrective action. They can also give early indication of fraud and malpractice. The Board recommends strongly that UNDP introduce some basic performance measures and targets as soon as practicable.

Management of information technology

Introduction

212. To manage its activities effectively and discharge its accountability and reporting duties, UNDP must collect, process and disseminate a wide range of financial and non-financial information for management, governing bodies, member Governments and others. In keeping with most organizations, UNDP has installed a large number of microcomputers over the last 15 years which are used for a wide range of administrative and programme purposes. In addition, UNDP has a mainframe computer at its headquarters to run its major financial and accounting systems. In the interest of efficiency, the United Nations computer system is used to process UNDP's payroll.

213. Ever increasing dependence on information technology systems and their high level of sophistication, linked to the heavy capital investment required, have made information technology crucial to the effective functioning of UNDP. The increasing importance of information technology is reflected in the budget estimates for the biennium 1990-1991 to 1994-1995, set out below.

Table 7. Budget estimates for electronic data processing and related expenditures 1990-1995

	1990-1991	1992-1993	1994-1995
	(Thousands of United States dollars)		
Staff costs	7 546	7 658	6 768
Systems development	5 156	6 810	7 427
Leases, licenses and maintenance	2 758	2 370	2 598
Hardware, software and supplies	5 527	8 070	8 659
Shared computer services	858	598	656
Total	21 873	25 506	26 108

Scope of the examination

214. In reviewing the management of information technology, the Board examined the following issues:

(a) The current status of UNDP information systems and the extent to which they meet current needs;

(b) The status of information technology plans and strategies and whether they provide a sound basis for the use of information technology in the future.

Current status of UNDP information systems

215. The Board found that UNDP existing information systems are old and lack integration. Significant resources have been invested in developing stand-alone systems which often overlap considerably in terms of function (see paras. 224-227 below). In the Board's view, this is a direct consequence of the failure to adopt a strategic approach to the management of information technology. The absence of a corporate framework to govern the planning and management of information technology has allowed systems to proliferate throughout UNDP in an uncontrolled fashion.

216. As the Board noted during its separate review of Programme and Project Management, it is not possible at a corporate level to obtain reliable, accurate and timely information about the overall management of the field programme, even in such basic areas as monitoring project expenditures against budgets. Often the only way key information can be obtained quickly is by specific telephone or fax inquiries to country offices or as the result of large-scale clerical exercises. It is widely acknowledged that there is a critical need to identify programme information needs. The UNDP Management Board agreed in September 1992 that an information system to support programme needs was urgently required, however, little progress has so far been made. In the Board's view, the development of adequate programme information systems for headquarters is now the most critical problem facing UNDP. UNDP believes the Integrated Programme Management System will address headquarters needs, and more specifically, budget and expenditure reporting requirements will be addressed by headquarters Programme Financial Management System.

Formulation of an information technology strategy

217. A well-defined strategy is essential to ensure that information technology is used efficiently, effectively and economically to help achieve the objectives of UNDP. Formulating a strategy usually involves determining:

- (a) The business priorities of the organization;
- (b) How business objectives will be met and the role to be played by information technology;
- (c) The nature of the information technology required and the resource implications (including why, where, when and for whom?);
- (d) How senior management will monitor the implementation of the strategic plan. There ought to be, for example, a reliable method for setting milestones and measuring and recording progress in reaching them.

218. The Board found that UNDP has not developed a coherent information technology strategy which addresses the key issues outlined above. Although several developments under way, or approved, are strategic in nature, they do not represent a coherent corporate strategy which clearly states priorities and indicates the time-frame and resources required to achieve them.

219. Examples of important ongoing developments noted by the Board included:

- (a) Development of communication strategies to link country offices with each other and headquarters;
- (b) Development of a standard corporate data model which will facilitate the integration of all UNDP systems at headquarters and in the field;
- (c) The decision to make use of IMIS being developed by the United Nations for personnel and financial functions.

220. However, these developments have been managed in relative isolation without a clear concern for their integration and compatibility. The Board found that UNDP procedures for planning and approving information technology projects had developed in an ad hoc manner over a number of years. Until 1993, the basic planning framework was essentially short term in nature and did not prioritize projects. However, this planning framework was not rigorously applied and effectively fell into disuse.

221. Revised procedures were approved by the Managerial Advisory Group on Information Systems (MAGIS) in March 1993 requiring the development of triennial information systems plans. Individual or groups of bureaux within UNDP should prepare the plans annually on a rolling basis and show clearly the prioritization of activities. It is not clear to the Board how the individual plans will be integrated within an overall corporate strategy. The Board therefore recommends that UNDP review the current planning framework to determine the role of information system plans in the formulation of an overall corporate strategy.

222. UNDP agrees with the Board that there is a clear need for a well-defined corporate strategy and has advised the Board that it has now been able to achieve the required consensus and commitment of major users to an overall strategic framework for the management of information technology. UNDP has put

in place a framework to direct and manage the implementation of the strategy and the Assistant Administrator and Director of the Bureau for Finance and Administration has also requested that the 1994 budget for information technology be reconfigured to support the realization of the immediate strategic objectives set for 1994.

223. The implementation of the main components of the UNDP information technology strategy will be managed and directed by MAGIS. To facilitate an integrated programme approach for the development of all country office and headquarters systems, UNDP has initiated the Integrated Programme Management System (IPM) project. This project will be managed and controlled by the IPM Steering Committee which will comprise a sub-set of members of MAGIS, representatives from country offices, and will be chaired by the Assistant Administrator and Director of the Bureau for Finance and Administration.

224. The Board welcomes the positive steps taken by UNDP to move forward in the definition of an integrated strategy and trusts that a comprehensive strategy will be submitted to the Strategic Management Committee for approval as soon as practicable. In the following paragraphs, the Board sets out a number of matters arising from its examination which they consider reinforce the need to develop and document an information technology strategy as a matter of priority.

Expenditure on information technology

225. To plan and manage the use of information technology resources effectively, it is necessary to know the resources at the disposal of UNDP. The Board found that it was not able to establish the precise amount spent on information technology nor, owing to deficiencies in the asset recording system, could it establish the value and volume of information technology equipment currently employed by UNDP. The Board welcomes the recent moves to centralize control of funding for systems development under the control of MAGIS. In the Board's view, this should facilitate improved prioritization and allocation of resources.

Systems development

226. The Board briefly examined one significant project, the Programme Officer Workbench and Reporting System (POWER). This system is a comprehensive "toolset" for managing the project cycle in a country office. The POWER project was approved by MAGIS and was developed in Indonesia at a cost of \$2.5 million in consultation with other country offices. The intention was to develop a prototype which would then be refined and developed further before being implemented across the network of UNDP country offices.

227. However, the Board noted that a different system, SMART, was being devised by the Latin America and Caribbean Bureau also for use in country offices. This called into question the thoroughness of the management of systems development at a corporate level within UNDP. Considerable time and resources have been devoted to a project (POWER) that did not fully meet the needs of a significant number of country offices.

228. The Board was concerned that by allowing a number of different systems to develop in the field, even if compatibility could be assured, UNDP would incur additional costs in such areas as system development, maintenance and training. Practical difficulties were also likely to arise when transferring staff between regions (i.e., staff might be unfamiliar with systems at the new region) or when trying to integrate field information systems with those at headquarters.

229. In response to the Board's concerns, UNDP initiated a review in September 1993, through external consultants, to evaluate the function and technical quality of existing and planned country office systems. The review was completed in November 1993. The Board believes that the recommended strategy provides a sound basis for future development. In summary, the strategy involves the retention of some key systems, but also the steady migration to a set of integrated systems that will be compatible with and communicate directly with headquarters' systems. A major element of this strategy will be to discontinue investment in the POWER system and to develop the SMART system for the longer term.

Systems development methodology

230. In 1988 MAGIS formally adopted STRADIS, a standard systems development methodology to be applied to all projects under development. The Board found that this methodology was not applied to projects and had in practice been abandoned. The Board places great emphasis on the application of sound methodologies and standards in the development of information technology projects to ensure that they meet user requirements and are delivered to quality, time and budget. We, therefore, recommend that UNDP ensure that a new standardized methodology is introduced without delay. UNDP agrees with the Board and has undertaken to introduce a new systems development methodology as soon as practicable.

Integration with the United Nations/Integrated Management Information System

231. The decision to use the Integrated Management Information System (IMIS) being developed by the United Nations to meet the UNDP administrative system requirements seems well justified. It should save UNDP the considerable costs associated with developing major new systems of its own. This decision was supported by a compatibility exercise, carried out in 1991, which concluded that IMIS could support the majority of UNDP administrative requirements. However, implementing new computer systems on the scale of IMIS is a major undertaking and requires thorough preparation, as well as the clear commitment of senior management and staff. The Board was therefore concerned to find in June 1993 that a project team had not yet been established to coordinate UNDP integration with IMIS.

232. The Board therefore recommended that a project manager be appointed to ensure that UNDP is fully prepared for the introduction of IMIS and that any incompatibility between IMIS and UNDP requirements were identified. The Board was pleased to note that UNDP acted promptly to address this problem and that a coordination project team for UNDP integration with IMIS was in place by October 1993. It will also be necessary to ensure that the UNDP user community is fully involved in this process throughout, and to recognize that some key users will need to devote considerable amounts of time to the project. The Board believes that these steps are essential if UNDP is to ensure a smooth transition to IMIS.

Acknowledgement

233. The Board of Auditors wishes to express its appreciation for the cooperation and assistance extended to its staff by the Administrator and staff of the United Nations Development Programme.

(Signed) Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of Great
Britain and Northern Ireland

(Signed) Osei Tutu PREMPEH
Auditor-General of Ghana

(Signed) Codanda Ganapathy SOMIAH
Comptroller and Auditor General
of India

ANNEX

Follow-up on actions by the United Nations Development Programme to implement the recommendations of the Board of Auditors in its report for the biennium ended 31 December 1991 a/

I. RECOMMENDATION 7 (a)

1. The Board had recommended that further efforts were needed to obtain audited statements of expenditure incurred by executing agencies in time for the issuance of the audit opinion on the UNDP financial statements.

A. Measures taken by the Administration

2. UNDP has raised this issue in the Consultative Committee on Administrative Questions (CCAQ) and believes it arises because of the short time-frame between closure of the UNDP books of account and the date audit certificates are required. The Administration continued to work with the executing agencies to speed up the process in order to receive audited statements in due time.

B. Comments of the Board

3. In its efforts to assist in the resolution of this problem, the Board contacted the external auditors of the major executing agencies. The constructive and timely response from agency external auditors has enabled the Board to overcome problems experienced in previous bienniums and to form an audit opinion on expenditures reported by agencies. In order to ensure that the audited statements continue to be received in time for the Board to take them into consideration, it will be necessary to maintain and strengthen, where possible, the level of cooperation and liaison with executing agencies achieved in 1992-1993.

II. RECOMMENDATION 7 (b)

4. Appropriate measures should be taken to establish adequate property control within the organization and to ensure adequate accountability for decisions concerning cases of loss or damage of property.

A. Measures taken by the Administration

5. UNDP carried out, in 1993, a review of policies and procedures regarding the control of UNDP property. A decentralized headquarters inventory system has now been designed and approved by Senior Management. Although not yet operational, the system is currently being implemented on a pilot basis by selected headquarters units. A country office inventory system has also been developed and, although some refinements are still needed, it was operational in 1993.

a/ Official Records of the General Assembly, Forty-seventh Session, Supplement No. 5A (A/47/5/Add.1), para. 7.

B. Comments of the Board

6. The Board welcomes the progress made in the design and development of inventory systems and has commented on these developments more fully in its report (see paras. 85 to 87). The Board trusts that UNDP will make every effort to ensure that reliable inventory management systems are in place by 31 December 1994. The Board notes, however, that UNDP still needs to address the adequacy of procedures concerning cases of loss or damage of property reported to the Headquarters Property Survey Board. No losses of non-expendable property were reported in 1992-1993, yet the Board is aware of a number of such cases during the biennium. It is imperative that proper procedures for reviewing such losses and recording the outcome of the Headquarters Property Survey Board deliberations are instituted for 1994-1995. In the Board's view, this should be tackled as part of the current work on implementing the new inventory systems.

III. RECOMMENDATION 7 (c)

7. The audit coverage of the organization needs to be improved.

A. Measures taken by the Administration

8. UNDP agreed that because of staffing and resource constraints, internal audit coverage was less than desired. Cost-effective remedial measures have been included as part of the pilot scheme initiating a regional service centre in Malaysia in late 1992.

9. The Regional Service Centre covers the Asia and Pacific region and audit coverage has been significantly increased. Although the Centre will be staffed by some newly recruited auditors, a large portion of the work has been contracted to an internationally recognized firm of Chartered Accountants and Consultants. The firm will carry out annual internal audits of 24 UNDP Field Offices in the Asia and Pacific region.

B. Comments of the Board

10. The Board notes that resources devoted to internal audit have not been increased and still, therefore, considers existing staffing levels insufficient to provide comprehensive audit coverage particularly of headquarters functions. However, the pilot scheme operating in the Regional Service Centre in Malaysia, which the Board visited, appears to have worked well and has greatly increased the quality of audit coverage in this region in a cost-effective manner. The Board notes that UNDP is currently considering expanding this approach to other regions.

IV. RECOMMENDATION 7 (d)

11. The internal audit mandate should be revised to provide a sufficient legal basis for carrying out audit responsibilities.

A. Measures taken by the Administration

12. UNDP took immediate action to present changes to its financial regulations and rules, which were approved by Governing Council decision 92/36.

B. Comments of the Board

13. The Board welcomes the prompt action taken to address the concerns raised in 1990-1991.

V. RECOMMENDATION 7 (e)

14. The Division for Audit and Management Review should not be assigned any operational responsibilities.

A. Measures taken by the Administration

15. The Board was concerned that the Division for Audit and Management Review had operational responsibility for administering and monitoring audit requirements for nationally executed projects and for coordinating and assisting in the management of effective systems for the development, updating and maintenance of manuals for the organization. Following a review of the role and responsibilities of the two sections concerned, UNDP has concluded that no conflict of interest exists. However, the Division for Audit and Management Review will continue to monitor activities in these areas.

B. Comments of the Board

16. While recognizing that the work of one internal audit section concerned is valuable and that it does not present a conflict of interest, the Board notes that significant staff resources are engaged in these activities. The Board considers that, given the scarcity of internal audit resources, the staff concerned could be utilized more effectively on direct audit work. The Board therefore recommends that as part of the ongoing monitoring of these activities, the Division for Audit and Management Review should continue to explore the possibility of transferring these responsibilities to other units.

VI. RECOMMENDATION 7 (f)

17. The pertinent instructions for the hiring of consultants should be observed.

A. Measures taken by the Administration

18. In conjunction with the United Nations, the Division of Personnel has devised a new form of contractual arrangement known as an ALD (Activities of Limited Duration). ALD will alleviate the need to resort to Special Management Service Contracts and has been implemented on a pilot basis since January 1994. ALD will also alleviate the need to resort to Special Service Agreements (SSAs) for services needed for limited period and thus ensure strict adherence to established rules and procedures of SSAs.

B. Comments of the Board

19. The Board welcomes the steps taken to regularize the contractual arrangements formerly conducted under Special Management Service Contracts. The Board notes also that the operation of the new ALD contract is to be reviewed following its implementation on a pilot basis and may, therefore, be further refined in future.

VII. RECOMMENDATION 7 (g)

20. Decisions on personnel matters should be adequately accounted for through sufficient documentation and should be justified by the relevant instructions.

A. Measures taken by the Administration

21. UNDP has now taken corrective action to implement mechanisms to ensure that proper justification, monitoring and documentation of decisions on personnel matters is standard practice.

B. Comments of the Board

22. UNDP has informed the Board that the mechanisms implemented to ensure proper justification, monitoring and documentation of decisions on personnel matters are essentially internal controls operated by the Directorate of the Division of Personnel. In its review of the use of consultants carried out in 1992-1993, the Board found further evidence, however, that the selection, terms of reference, and evaluation of consultants is often poorly documented.

VIII. RECOMMENDATION 7 (h)

23. The actual costs for management services should be established on a factual basis, taking into account all activities provided by the organization.

A. Measures taken by the Administration

24. The UNDP Office for Project Services (OPS) has reviewed the costs for management services and is satisfied that the level reflects actual administrative and management service costs. New guidelines reflecting the use of OPS service unit costs were issued on 30 December 1992, which corrected deficiencies in the calculation of these costs noted by the Board.

B. Comments of the Board

25. The Board has reviewed the revised guidelines and charging methodology applied by OPS and is satisfied that the deficiencies noted by the Board in 1990-1991 have been addressed. Inevitably, however, in the absence of a time recording system to calculate how much staff time is employed on individual MSAs, the charging methodology cannot be precise. On balance, the Board believes that the revised methodology should recover the full costs incurred in the implementation of projects funded under MSAs, including the additional costs

incurred by country offices and the portion attributable to UNDP central services.

IX. RECOMMENDATION 7 (i)

26. The project appraisal and approval procedure at headquarters should be streamlined considerably.

A. Measures taken by the Administration

27. The UNDP Management Board decided to streamline and decentralize the project appraisal and approval procedures while ensuring that appropriate mechanisms were in place to ensure accountability. The detailed procedures and guidelines are currently being developed and it is expected that the Regional Bureaux will be in a position to implement them in 1994.

B. Comments of the Board

28. The Board notes that this area is still under review. The UNDP senior management has recommended that the package of decentralized programme management initiatives, including revised appraisal and approval procedures, should be finalized in 1994. The Board notes also that as a result of the increased level of delegated approval authority, the number of projects presented to the Action Committee (now the Programme Review Committee) declined considerably from 275 in 1992 to 128 in 1993.

X. RECOMMENDATION 7 (j)

29. The problem of timely and proper completion of projects should be systematically addressed on a broad scale.

A. Measures taken by the Administration

30. The Administration acknowledged the need to address this problem and intends to take it up in the context of deliberations on national execution policy, procedures and processes. With regard to the specific problems noted with the United Nations Capital Development Fund (UNCDF) projects, UNDP issued a circular on 13 March 1993, to all programme staff to draw their attention to the need for timely and proper completion of projects. UNCDF senior management staff will continue to monitor proper adherence to these instructions.

B. Comments of the Board

31. The Board notes that the deliberations of UNDP in this area are continuing but that a concerted effort has been made with regard to the specific problems noted with UNCDF. Following the Board's comments, UNCDF has closed 19 projects and has begun the process of closing an additional 30 projects (more than 10 per cent of the ongoing projects as at 31 December 1993).

XI. RECOMMENDATION 7 (k)

32. In-depth evaluations should be used more effectively.

A. Measures taken by the Administration

33. UNDP agreed that there are some instances where exceptions may be made for evaluation requirements. Regional Bureaux have taken steps to ensure that in-depth evaluations need not be scheduled when the nature of specific projects does not so warrant.

B. Comments of the Board

34. The Board has reviewed evaluation procedures during its general examination of programme and project management. The Board found that the data collected regarding completed evaluations is incomplete and therefore unreliable. With regard to the need to target in-depth evaluations more effectively, it is not clear to the Board what concrete action has been taken by UNDP to address this issue. In particular, no criteria have been proposed to facilitate the judgement as to when an evaluation is not warranted. There is thus scope for varying practices to be adopted by Bureaux and country offices in any given set of circumstances. See also paragraphs 164 to 168 of the Board's report.

XII. RECOMMENDATION 7 (l)

35. Office automation efforts should be planned carefully and coordinated from the beginning of a project.

A. Measures taken by the Administration

36. The Administration agreed with the Board's recommendation and now require each headquarters and field office to develop and update annually an office automation plan.

B. Comments of the Board

37. The Board notes that to date, 99 country offices have submitted an office automation plan and that 30 remain outstanding, 14 of whom are small offices in the new countries of the Commonwealth of Independent States. Only 9 of the 26 headquarters units have, however, prepared office automation plans. In its review of the UNDP information technology strategy, the Board has commented on the need to review the current information technology planning framework to ensure it is consistent with the overall strategy (see paras. 212 to 232 of the present report).

III. AUDIT OPINION

We have examined the following appended financial statements, numbered I to XXVII, properly identified, schedules 1 to 11 and the supporting explanatory notes of the United Nations Development Programme for the period ended 31 December 1993 in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency, except that the scope of our work was limited by the matters referred to below and as explained in paragraphs 47 to 49 of our report. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

Subject to any adjustments that may be found to be necessary upon receipt of outstanding audited expenditure statements relating to nationally executed projects, in our opinion, the financial statements present fairly the financial position of the United Nations Development Programme as at 31 December 1993 and the results of its operations for the financial period then ended; that they were prepared in accordance with the stated accounting policies which were applied on a basis consistent with that of the preceding financial period; and that the transactions were in accordance with the Financial Regulations and the relevant legislative authority.

In accordance with our usual practice, we have issued a long form report on our audit of the United Nations Development Programme's financial statements, as provided for in the Financial Regulations.

(Signed) Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of Great
Britain and Northern Ireland

(Signed) Osei Tutu PREMPEH
Auditor-General of Ghana

(Signed) Codanda Ganapathy SOMIAH
Comptroller and Auditor General
of India

30 June 1994

IV. FINANCIAL STATEMENTS FOR THE BIENNIUM ENDED 31 DECEMBER 1993

STATEMENT I

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of income and expenditure for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME		
	Contributions from Governments and other contributors (notes 3 and 4)	
1 957 788 371	Voluntary contributions	2 078 651 560
<u>11 497 092</u>	Less: Transfers to government local office costs (note 5)	<u>9 858 087</u>
1 946 291 279		2 068 793 473
12 809 684	Voluntary contributions for the Special Measures Fund for the Least Developed Countries	45 026
388 004 046	Cost-sharing contributions	669 643 853
<u>22 016 420</u>	Cash-counterpart contributions for projects	<u>23 598 089</u>
2 369 121 429		2 762 080 441
84 664 520	UNDP extrabudgetary income (schedule 4)	92 547 322
<u>162 750 701</u>	Miscellaneous income (net) (schedule 1 and note 6)	<u>24 387 134</u>
<u>2 616 536 650</u>	TOTAL INCOME	<u>2 879 014 897</u>
EXPENDITURE		
2 178 175 590	Programme expenditure (schedule 2)	2 043 841 336
208 353 976	Programme support costs (notes 2 and 8)	
61 897 099	Agency support costs and technical support services (schedule 2.1)	158 844 779
<u>10 671 968</u>	Programme support and development activities (schedule 3)	<u>89 158 966</u>
2 459 098 633	UNDP sectoral support costs	<u>14 038 198</u>
		2 305 883 279
435 363 648	UNDP biennial budget expenditure (gross)	452 533 672
<u>(32 395 520)</u>	UNDP biennial budget income received (note 9)	<u>(34 651 903)</u>
402 968 128		(schedule 3)
<u>77 707 559</u>	UNDP extrabudgetary expenditure (schedule 4)	<u>100 490 926</u>
<u>2 939 774 320</u>	TOTAL EXPENDITURE	<u>2 824 255 972</u>
(658 941)	DECREASE IN PROVISION TO REDUCE THE BOOK VALUE OF ACCOUNTS RECEIVABLE AND DEFERRED CHARGES (note 10)	(171 539)
<u>(322 578 729)</u>	SURPLUS INCOME/(EXPENDITURE) BEFORE ALLOCATIONS FOR RESERVES	<u>54 930 464</u>
-	Reserve for transitional measures (note 7)	7 200 000
-	Reserve for budgeted separations (note 7)	<u>6 359 000</u>
-		<u>13 559 000</u>
<u>(322 578 729)</u>	SURPLUS INCOME/(EXPENDITURE) (statement IV)	<u>41 371 464</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT II

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of assets and liabilities
as at 31 December 1993
with comparative figures as at 31 December 1991

(United States dollars)

1991		1993
ASSETS		
Cash		
2 108 107	Convertible currencies	1 935 327
361 418	Usable non-convertible currencies	257 210
21 132 490	Accumulated non-convertible currencies	13 695 937
	Currency held for the Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries	-
793 143	Cash at field offices	30 151 146
<u>23 221 360</u>		
<u>47 616 518</u>	(note 11)	<u>46 039 620</u>
<u>3 210 460</u>	Government letters of credit (note 12)	<u>1 948 700</u>
	Investments (notes 2 and 13)	
205 087 831	General resources	117 225 817
405 586 554	Subsidiary programmes	616 917 005
200 000 000	Investments of the Operational Reserve	200 000 000
<u>6 405 115</u>	Investments of the Reserve for Field Accommodation	-
<u>817 079 500</u>	(schedule 6, notes 11 and 14)	<u>934 142 822</u>
<u>867 906 478</u>	Total cash, letters of credit and investments	<u>982 131 142</u>
Advances and accounts receivable		
18 709 444	Operating funds provided to Governments for executing UNDP projects	36 415 962
74 049 056	Operating funds provided to executing agencies	68 729 700
8 664 178	Due from the United Nations Population Fund	8 675 812
16 441 492	Due from trust funds administered by UNDP (note 15)	15 906 121
45 574 460	Other accounts receivable and deferred charges (note 16(a))	31 991 645
<u>15 854 544</u>	Accrued interest	<u>12 050 315</u>
<u>179 293 174</u>		<u>173 769 535</u>
<u>18 594 885</u>	Activities under the Reserve for Field Accommodation (schedule 7)	<u>41 502 956</u>
<u>1 065 794 537</u>		<u>1 197 403 653</u>

STATEMENT II (concluded)

1991		1993
LIABILITIES, RESERVES AND UNEXPENDED RESOURCES		
Liabilities		
1 910 297	Operating funds payable to Governments	5 215 726
2 538 512	Operating funds payable to executing agencies	4 582 849
29 783 076	Uncleared cheques on zero balance accounts	26 621 016
119 853 724	Accounts payable	154 479 987
179 115 462	Unliquidated obligations of executing agencies	107 936 854
47 799 893	Management service agreements (net)	73 960 885
2 531 234	Due to the United Nations	4 423 601
56 964 346	Due to trust funds administered by UNDP	135 800 121
1 907 708	Junior Professional Officers programme	6 061 865
-	Reserve for transitional measures	7 200 000
-	Reserve for budgeted separations	6 359 000
<u>442 404 252</u>		<u>532 641 904</u>
Reserves		
200 000 000	Operational Reserve	200 000 000
<u>25 000 000</u>	Reserve for Field Accommodation	<u>25 000 000</u>
<u>225 000 000</u>		<u>225 000 000</u>
Unexpended resources		
26 038 447	Special Measures Fund for the Least	
164 932 058	Developed Countries	(statement IV) 17 843 055
8 263 299	Cost-sharing	(statement IV) 222 670 226
<u>32 507 160</u>	Cash counterpart	(statement IV) 6 469 577
	Extrabudgetary activities	(statement IV) <u>43 580 112</u>
231 740 964		290 562 970
<u>166 649 321</u>	General resources	(statement IV) <u>149 198 779</u>
<u>398 390 285</u>	Balance as at 31 December	<u>439 761 749</u>
<u>1 065 794 537</u>		<u>1 197 403 653</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT III

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of changes in financial position for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
SOURCE OF FUNDS		
-	Surplus income (statement I)	41 371 464
-	Decrease in accounts receivable	17 910 781
-	Decrease in operating funds provided to executing agencies (net)	7 363 693
<u>39 199 461</u>	Increase in liabilities	<u>84 887 886</u>
<u>39 199 461</u>	Total funds provided	<u>151 533 824</u>
APPLICATION OF FUNDS		
322 578 729	Surplus expenditure	-
4 262 682	Increase in accounts receivable	-
5 949 198	Increase in operating funds provided to Governments (net)	14 401 089
43 582 936	Increase in operating funds provided to executing agencies (net)	-
<u>8 596 902</u>	Increase in activities under the Reserve for Field Accommodation	<u>22 908 071</u>
<u>384 970 447</u>	Total funds used	<u>37 309 160</u>
<u>(345 770 986)</u>	INCREASE (DECREASE) IN CASH, LETTERS OF CREDIT AND INVESTMENTS	<u>114 224 664</u>
<u>1 213 677 464</u>	Cash, letters of credit and investments at beginning of the biennium	<u>867 906 478</u>
Increase (decrease) in:		
(3 411 590)	Convertible currencies	(172 780)
(1 110 083)	Usable non-convertible currencies	(104 208)
(25 687 035)	Accumulated non-convertible currencies	(7 436 553)
(1 507 015)	Currencies held for Russian Federation Trust Fund	(793 143)
6 940 607	Cash at field offices	6 929 786
1 035 250	Government letters of credit	(1 261 760)
<u>(322 031 120)</u>	Investments	<u>117 063 322</u>
<u>(345 770 986)</u>		<u>114 224 664</u>
<u>867 906 478</u>	Cash, letters of credit, and investments at end of the biennium (statement II)	<u>982 131 142</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT IV

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Summary of movement in subsidiary programme funds and general resources
for the biennium ended 31 December 1993

(United States dollars)

	Special Measures Fund for the Least Developed Countries	Cost-sharing	Cash counterpart	Extrabudgetary activities	General resources	Total
Balance as at 1 January 1992	26 038 447	164 932 058	8 263 299	32 507 160	166 649 321	398 390 285
Transfer between resources ^{a/}		(9 779 632)		19 016 556 ^{b/}	(9 236 924)	
Income received	26 038 447	155 152 426	8 263 299	31 523 716	157 412 397	398 390 285
Less: Expenditure	45 026	669 643 853	23 598 080	92 547 322	2 093 180 607	2 879 014 897 ^{c/}
Programme expenditure	8 240 418	566 486 310	24 856 639		1 444 257 969	2 043 841 336 ^{c/}
Reimbursement of programme support costs to executing agencies		35 639 743	535 172		225 867 028	262 041 943
Other expenditure				100 490 926	417 710 228	518 201 154
Total expenditure	8 240 418	602 126 053	25 391 811	100 490 926	2 087 835 225	2 874 084 433
Allocations for reserves					13 559 000	13 559 000 ^{c/}
Surplus income/(expenditure)	(8 195 392)	67 517 800	(1 793 722)	(7 943 604)	(8 213 618)	41 371 464 ^{c/}
Balance as at 31 December 1993 (statement II)	17 843 055	222 670 226	6 469 577	43 580 112	169 198 779	459 761 749

^{a/} Transfer of cost-sharing income and indicative planning figure add-on funds to extrabudgetary resources.

^{b/} See schedule 4.

^{c/} As shown on statement I.

The accompanying notes are an integral part of the financial statements.

STATEMENT V
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Capital Development Fund

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
83 965 088	Voluntary contributions from Governments	71 915 558
500 000	Cost-sharing contributions	830 518
2 972 714	Government contributions for sub-trust funds	4 425 374
(55 474)	Exchange adjustments on collection of contributions	-
25 025 413	Interest income:	
216 112	General resources and cost-sharing	14 367 048
395 625	Sub-trust funds	126 407
	Miscellaneous income/(expenditure)	(532 317)
113 019 478		91 132 588
	Less: Expenditure	
	Project costs:	
76 691 114	General resources (note 20(a))	104 566 178
479 601	Cost-sharing	582 644
1 346 175	Sub-trust funds	4 375 814
	Programme support costs: Executing agencies	
2 254 508	General resources (note 20(a))	3 088 878
12 846	Cost-sharing	19 881
28 349	Sub-trust funds	179 664
8 342 140	Biennial budget expenditure (schedule 11)	8 993 835
	Technical support costs (note 20(b))	1 982 106
89 154 733		123 789 000
23 864 745	Surplus income/(expenditure)	(32 656 412)
ASSETS		
	Cash	
11 761	Convertible currencies	3 468
1 555	Usable non-convertible currencies	349
459 452	Accumulated non-convertible currencies	513 466
472 768		517 281
	Investments	
106 285 914	General resources and cost-sharing	85 169 313
58 900 000	Investments of the operational reserve	55 900 000
165 185 914		(schedule 10) 141 069 313
8 042 856	Loans to Governments (note 20(c))	11 446 407
	Non-convertible currencies pending US dollar credit from UNDP	132 113
78 060	Operating funds provided to co-operating agencies	3 761 571
1 659 401	Accounts receivable and deferred charges	5 042 515
3 342 201	Accrued interest	1 967 656
3 567 879		22 350 262
16 690 397		163 936 856
182 349 079		

STATEMENT V (concluded)

1990-1991	LIABILITIES AND UNEXPENDED RESOURCES	1992-1993
13 000	Operating funds payable to co-operating agencies	1 288 490
345 914	Accounts payable	169 858
9 163 795	Unliquidated obligations of co-operating agencies	13 466 228
3 654 638	Due to UNDP	10 053 190
<u>541 931</u>	Extrabudgetary account (note 20(d))	<u>2 985 701</u>
<u>13 719 278</u>		<u>27 963 467</u>
<u>58 900 000</u>	Operational reserve (note 20(e))	<u>55 900 000</u>
	Unexpended resources	
108 760 114	General resources (schedule 9)	78 879 406
(83 990)	Cost-sharing (schedule 9)	144 003
<u>1 053 677</u>	Sub-trust funds (statement XXVII and schedule 9)	<u>1 049 980</u>
<u>109 729 801</u>	Balance as at 31 December a/	<u>80 073 389</u>
<u>182 349 079</u>		<u>163 936 856</u>

Note: Contributions due from Governments as at 31 December 1993 total \$7,633,031 (1991: \$2,703,908). An analysis of this amount is provided in note 31.

a/ Consisting of:	1991	1993
Unspent allocations:		
General resources	294 113 258	239 151 550
Cost-sharing	629 545	449 000
Sub-trust funds	205 785	5 231 107
Loan commitments undrawn	1 698 924	-
Allocations in excess of resources:		
General resources	(185 558 929)	(160 272 144) b/
Cost-sharing	(713 535)	(304 997) c/
Sub-trust funds	<u>(645 247)</u>	<u>(6 181 127) c/</u>
	<u>109 729 801</u>	<u>80 073 389</u>

b/ See note 20(f).

c/ See note 20(g).

The accompanying notes are an integral part of the financial statements.

STATEMENT VI
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Revolving Fund for Natural Resources Exploration
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
5 012 414	Voluntary contributions from Governments	4 273 547
380 000	Cost-sharing contributions	-
194 742	Government contributions for sub-trust funds	-
429 209	Interest income:	71 301
-	General resources and cost-sharing	8 357
(26 503)	Sub-trust funds	55 087
5 989 862	Miscellaneous income/(expenditure) (note 21(a))	4 408 292
	Less: Expenditure	
	Project costs:	
4 492 939	General resources (note 21(b))	1 701 803
127 709	Sub-trust funds	7 293
	Programme support costs: Executing agencies	
	General resources	2 790
2 535 255	Biennial budget expenditure (schedule 11)	1 843 325
624 248	Technical support costs (note 21(c))	948 595
25 422	Extrabudgetary activities	-
7 805 573		4 503 806
(1 815 711)	Surplus expenditure	(95 514)
ASSETS		
	Cash	
3 718	Convertible currencies	3 505
13 617	Cash at field offices	19 638
1 683 000	Investments (schedule 10)	1 707 000
509 330	Loans to Governments (note 21(d))	522 345
12 726	Accounts receivable and deferred charges	4 933
196 673	Due from UNDP	34 164
4 128	Accrued interest	4 485
2 423 192		2 296 070
LIABILITIES AND UNEXPENDED RESOURCES		
78 839	Accounts payable	43 659
30 406	Unliquidated obligations of executing agencies	800
109 245	Management service agreements (note 21(e))	33 178
		77 637
	Unexpended resources	
2 246 914	General resources (schedule 9)	2 150 336
67 033	Sub-trust funds (statement XXVII and schedule 9)	68 097
2 313 947		2 218 433
2 423 192	Balance as at 31 December a/	2 296 070

Statement VI (concluded)

Note: Contributions due from Governments as at 31 December 1993 total 846,504 (1991: 8380,082).
An analysis of this amount is provided in note 31.

g/ Consisting of:	<u>1991</u>	<u>1993</u>
Unspent allocations:		
General resources	954 165	183 015
Sub-trust funds	67 033	59 740
Unencumbered funds:		
General resources	1 292 749	1 967 321
Sub-trust funds	<u>-</u>	<u>8 357</u>
	<u>2 313 947</u>	<u>2 218 433</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT VII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Trust Fund for Sudan-Sahelian Activities
Status of funds for the biennium ended 31 December 1992,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
11 542 951	Voluntary contributions from Governments	6 448 166
22 891 627	Cost-sharing contributions	12 507 543
5 638 377	Government contributions for sub-trust funds	5 446 727
	Interest income:	
7 147 624	General resources and cost-sharing	2 566 911
229 753	Sub-trust funds	129 000
(101 960)	Miscellaneous income/(expenditure)	8 330
<u>67 348 372</u>		<u>27 106 699</u>
	Less: Expenditure	
	Project costs:	
7 522 923	General resources	10 917 719
16 235 603	Cost-sharing	18 945 786
6 314 219	Sub-trust funds	5 568 848
	Programme support costs: Executing agencies	
271 548	General resources	536 499
936 812	Cost-sharing	868 947
430 135	Sub-trust funds	318 636
5 328 358	Biennial budget expenditure (schedule 11)	6 720 368
	Transfers and refunds - sub-trust funds (statement XXVII)	(652 813)
<u>37 039 598</u>		<u>43 420 999</u>
10 308 774	Surplus income/(expenditure)	(16 314 291)
ASSETS		
8 247	Cash	8 634
54 914 905	Investments (schedule 10)	32 876 817
	Operating funds provided to Governments for executing projects	4 723 807
3 649 340	Operating funds provided to executing agencies	38 090
9 893	Accounts receivable and deferred charges	18 877
203 096	Due from UNDP	486 480
379 288	Due from UNEP for UNDP/UNEP joint-venture activities (note 22(b))	542 517
601 018	Accrued interest	497 641
<u>59 765 787</u>		<u>39 190 683</u>
LIABILITIES AND UNEXPENDED RESOURCES		
	Operating funds payable to Governments for executing projects	364 995
65 181	Operating funds payable to executing agencies	265 464
498 436	Accounts payable	662 008
632 623	Unliquidated obligations of executing agencies	1 540 709
893 821	Management service agreements (note 22(a))	913 487
2 023 627	Due to UNDP	-
2 660 295	Extrabudgetary account (note 22(c))	213 709
710 264		<u>4 160 372</u>
<u>7 484 227</u>		
	Unexpended resources	
34 940 804	General resources (schedule 9)	25 789 645
15 621 965	Cost-sharing (schedule 9)	8 349 893
	Sub-trust funds (statement XXVII and schedule 9)	899 775
1 718 791		<u>35 039 311</u>
<u>52 281 560</u>	Balance as at 31 December a/	
59 765 787		<u>39 190 683</u>

STATEMENT VII (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$15,846,686 (1991: \$11,718,858). An analysis of this amount is provided in note 31.

a/ Consisting of:	<u>1991</u>	<u>1993</u>
Unspent allocations:		
General resources	16 208 125	7 620 150
Cost-sharing	33 624 813	22 415 416
Sub-trust funds	4 949 047	4 580 500
Unencumbered funds:		
General resources	18 732 679	18 169 495
Allocations in excess of resources:		
Cost-sharing	(18 002 848)	(14 065 523) b/
Sub-trust funds	(3 230 256)	(3 689 727) b/
	<u>52 281 560</u>	<u>35 030 311</u>
b/ See note 22(d).		

The accompanying notes are an integral part of the financial statements.

STATEMENT VIII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Volunteers Programme

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
1 855 367	Voluntary contributions from Governments	2 865 668
7 337 627	Government contributions for sub-trust funds	12 563 770
	Interest income:	
1 319 955	General resources	967 763
387 589	Sub-trust funds	365 734
7 685 174	Recovery of external costs (note 23(a))	9 697 182
(86 972)	Miscellaneous income/(expenditure)	(42 232)
<u>18 498 740</u>		<u>26 417 885</u>
	Less: Expenditure	
	Project costs:	
10 273 506	General resources	11 177 670
5 568 254	Sub-trust funds	9 496 279
<u>549 008</u>	Programme support costs: Executing agencies	<u>804 208</u>
	Sub-trust funds	
<u>16 390 768</u>		<u>21 478 157</u>
<u>2 107 972</u>	Surplus income	<u>4 939 728</u>
ASSETS		
20 133 374	Investments (schedule 10)	20 880 980
95 360	Due from UNHCR (note 23(b))	-
349 350	Accounts receivable and deferred charges	1 121 176
	Due from UNDP	2 083 138
<u>157 049</u>	Accrued interest	<u>168 315</u>
<u>20 735 133</u>		<u>24 253 609</u>
LIABILITIES AND UNEXPENDED RESOURCES		
1 333 482	Accounts payable	1 554 599
-	Projects financed by UNHCR (note 23(b))	137 583
1 358 345	Projects financed by donor Governments (note 23(b))	3 611 733
5 579 244	Due to UNDP	-
<u>556 436</u>	Extrabudgetary account (note 23(c))	<u>2 102 340</u>
<u>8 827 507</u>		<u>7 406 255</u>
	Unexpended resources	
6 855 812	General resources (schedule 9)	9 166 523
5 051 814	Sub-trust funds (statement XXVII and schedule 9)	<u>7 680 831</u>
<u>11 907 626</u>	Balance as at 31 December g/	<u>16 847 354</u>
<u>20 735 133</u>		<u>24 253 609</u>

STATEMENT VIII (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$1,067,340 (1991: \$2,632,361). An analysis of this amount is provided in note 31.

a/ Consisting of:	<u>1991</u>	<u>1993</u>	
Unspent allocations:			
General resources	5 435 173	9 116 377	b/
Sub-trust funds	6 718 168	7 718 856	
Unencumbered funds:			
General resources	1 420 639	50 146	
Allocations in excess of resources:			
Sub-trust funds	<u>(1 666 354)</u>	<u>(38 025)</u>	c/
	<u>11 907 626</u>	<u>16 847 356</u>	
b/ See note 23(d).			
c/ See note 23(e).			

The accompanying notes are an integral part of the financial statements.

STATEMENT IX
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Fund for Science and Technology for Development
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
307 796	Voluntary contributions from Governments	340 405
781 435	Cost-sharing contributions	42 000
4 578 840	Government contributions for sub-trust funds	1 232 106
454 338	Interest income:	
234 135	General resources and cost-sharing	66 837
60 092	Sub-trust funds	162 156
863	Miscellaneous income/(expenditure)	(3 952)
	Transfer of income from other trust funds	-
<u>6 417 499</u>		<u>1 839 552</u>
Less: Expenditure		
	Project costs:	
1 301 207	General resources	765 128
161 908	Cost-sharing	97 374
2 971 673	Sub-trust funds	2 327 058 b/
	Programme support costs: Executing agencies	
54 680	General resources	39 853
18 570	Cost-sharing	25 536
300 448	Sub-trust funds	205 110
1 325 125	Biennial budget expenditure (schedule 11)	782 732
34 140	Extrabudgetary expenditure	214
-	Transfer and refunds - sub-trust funds (statement XXVII)	(18 317)
<u>6 167 751</u>		<u>4 244 688</u>
249 748	Surplus income/(expenditure)	(2 405 136)
ASSETS		
708 612	Cash	5 440
4 600 000	Investments (schedule 10)	2 276 000
137 136	Non-convertible currencies pending US dollar credit from UNDP	170 920
302 387	Operating funds provided to Governments for executing projects	178 367
14 777	Operating funds provided to executing agencies	13 819
300 119	Accounts receivable and deferred charges	70
46 217	Accrued interest	11 714
<u>6 109 248</u>		<u>2 656 330</u>
LIABILITIES AND UNEXPENDED RESOURCES		
6 028	Operating funds payable to Governments for executing projects	35 433
41 344	Operating funds payable to executing agencies	315 539
1 350	Accounts payable	1 683
295 287	Unliquidated obligations of executing agencies	412 971
1 470 750	Due to UNDP	73 335
65 356	Extrabudgetary account (note 24(a))	11 689
<u>1 880 115</u>		<u>850 650</u>

STATEMENT IX (continued)

1990-1991		1992-1993	
	Unexpended resources		
2 157 627	General resources	(schedule 9)	957 195
263 908	Cost-sharing	(schedule 9)	182 998
1 747 449	Sub-trust funds	(statement XXVII and schedule 9)	605 552
60 149	Extrabudgetary activities	(schedule 9 and note 24(b))	59 935
4 229 133	Balance as at 31 December a/		1 805 680
6 109 248			2 656 330

Note: Contributions due from Governments as at 31 December 1993 total \$758,820 (1991: \$2,106,854). An analysis of this amount is provided in note 31.

a/ Consisting of:	1991	1993
Unspent allocations:		
General resources	1 404 158	811 145
Cost-sharing	175 309	229 581
Sub-trust funds	2 192 317	283 717
Unencumbered funds:		
General resources	695 023	146 050
Cost-sharing	147 045	-
Sub-trust funds	-	321 835
Extrabudgetary activities	60 149	59 935
Allocations in excess of resources:		
Cost-sharing	-	(46 583) c/
Sub-trust funds	(444 868)	-
	4 229 133	1 805 680

b/ This amount includes adjustments to prior bienniums' expenditure of \$453,925.

c/ See note 24(c).

The accompanying notes are an integral part of the financial statements.

STATEMENT X

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
1 476 800	Contributions from the United Nations Fund	
101 855	for Namibia (Nationhood Programme)	389 000
36 016	Interest income	27 775
	Miscellaneous income/(expenditure)	3 931
1 614 671		420 706
	Less: Expenditure	
1 573 218	Project costs	286 030
111 722	Programme support costs:	
	Executing agencies	33 588
1 684 940		319 618
101 855	Transfer of interest income to the United Nations (note 25)	27 775
1 786 795		347 393
(172 124)	Surplus income/(expenditure)	73 313
ASSETS		
7 731	Cash	17 495
1 540 000	Investments	385 000
248 536	Operating funds provided to executing agencies (schedule 10)	140 355
-	Due from UNDP	110 440
4 078	Accrued interest	29
1 800 345		653 319
LIABILITIES AND UNEXPENDED RESOURCES		
108 174	Operating funds payable to executing agencies	394 661
32 813	Accounts payable	60 588
59 930	Unliquidated obligations of executing agencies	24 704
1 499 375	Due to UNDP	-
1 700 292		479 953
	Unexpended resources	
272 177	Balance as at 1 January	100 053
(172 124)	Surplus income/(expenditure)	73 313
100 053	Balance as at 31 December a/	173 366
1 800 345		653 319

a/ Consisting of:	1991	1993
Unspent allocations	449 075	534 045
Allocations in excess of resources	(349 022)	(360 679)
	100 053	173 366

The accompanying notes are an integral part of the financial statements.

STATEMENT XI

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

United Nations Development Fund for Women

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
18 886 409	Voluntary contributions from Governments	19 818 312
1 659 824	Cost-sharing contributions	2 015 174
-	Government contributions for sub-trust funds	59 929
1 168 863	Donations	920 666
2 117 677	Interest income:	
485 571	General resources and cost-sharing	921 241
(7 610)	Sub-trust funds	276 453
	Miscellaneous income/(expenditure)	(118 769)
<u>24 310 734</u>		<u>23 893 006</u>
	Less: Expenditure	
	Project costs:	
16 100 841	General resources	21 223 391
275 107	Cost-sharing	1 871 181
1 019 339	Sub-trust funds	1 838 263
	Programme support costs: Executing agencies	
884 158	General resources	518 142
2 024	Cost-sharing	68 412
105 392	Sub-trust funds	188 947
3 704 490	Biennial budget expenditure (schedule 11)	5 199 062
1 261 722	Technical support costs (note 26(a))	1 185 613
-	Transfers and refunds - sub-trust funds (statement XXVII)	431 041
<u>23 353 073</u>		<u>32 524 052</u>
957 661	Surplus income/(expenditure)	(8 631 046)
ASSETS		
1 305 834	Cash	15 909
	Investments	
8 390 000	General resources and cost-sharing	8 574 000
6 200 000	Investments of the operational reserve	5 100 000
<u>14 590 000</u>		<u>13 674 000</u>
	(schedule 10)	
3 289 236	Operating funds provided to Governments for executing projects	4 568 761
1 311 224	Operating funds provided to executing agencies	232 324
3 637	Accounts receivable and deferred charges	101 230
73 941	Due from UNDP	-
156 304	Accrued interest	85 561
32 733	Extrabudgetary account	2 686
<u>4 867 075</u>		<u>4 990 562</u>
20 762 909		18 680 471
LIABILITIES AND UNEXPENDED RESOURCES		
501 881	Operating funds payable to Governments for executing projects	124 506
173 198	Operating funds payable to other executing agencies	147 718
221 481	Accounts payable	89 737
458 774	Unliquidated obligations of executing agencies	2 160 351
16 197	Management service agreements (note 26(b))	16 197
-	Due to UNDP	5 381 630
<u>1 371 531</u>		<u>7 920 139</u>

STATEMENT XI (concluded)

1990-1991			1992-1993
<u>6 200 000</u>	Operational reserve	(note 26(c))	<u>5 100 000</u>
8 400 251	Unexpended resources		
1 573 136	General resources	(schedule 9)	2 915 493
	Cost-sharing	(schedule 9)	1 648 717
<u>3 217 991</u>	Sub-trust funds	(statement XXVII and schedule 9)	<u>1 096 122</u>
<u>13 191 378</u>	Balance as at 31 December a/		<u>5 660 332</u>
<u>20 762 909</u>			<u>18 680 471</u>

Note: Contributions due from Governments as at 31 December 1993 total \$2,475,488 (1991: \$2,046,729).
An analysis of this amount is provided in note 31.

a/ Consisting of:	1991	1993
Unspent allocations:		
General resources	8 914 590	-
Cost-sharing	1 973 595	5 808 557
Sub-trust funds	4 401 637	2 446 032
Unencumbered funds:		
General resources	-	2 915 493
Allocations in excess of resources:		
General resources	(514 339)	-
Cost-sharing	(400 459)	(4 159 840) b/
Sub-trust funds	<u>(1 183 646)</u>	<u>(1 349 910) b/</u>
	<u>13 191 378</u>	<u>5 660 332</u>

b/ See note 26(d).

The accompanying notes are an integral part of the financial statements.

STATEMENT XII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP

UNDP Energy Account

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

<u>1990-1991</u>		<u>1992-1993</u>
INCOME AND EXPENDITURE		
33 676	Voluntary contributions from Governments	25 027
3 222 830	Cost-sharing contributions	913 643
521 624	Interest income	360 510
<u>43 503</u>	Miscellaneous income/(expenditure)	<u>1 211</u>
<u>3 821 633</u>		<u>1 300 391</u>
4 769 951	Less: Expenditure	1 215 090
	Project costs	
	Programme support costs:	
184 543	Executing agencies	(96 503) b/
<u>287 200</u>	Administrative and programme support costs	<u>501 415</u>
<u>5 241 694</u>		<u>1 620 002</u>
(1 420 061)	Surplus expenditure	(319 611)
ASSETS		
23 816	Cash	95 914
5 186	Operating funds provided to Governments for executing projects	241 966
13 074	Operating funds provided to executing agencies	<u>3 887 090</u>
<u>5 011 587</u>	Due from UNDP	<u>4 224 970</u>
<u>5 053 663</u>		
LIABILITIES AND UNEXPENDED RESOURCES		
8 609	Operating funds payable to Governments for executing projects	8 609
137 057	Operating funds payable to executing agencies	98 628
5 600	Accounts payable	9 903
<u>528 610</u>	Unliquidated obligations of executing agencies	<u>53 654</u>
<u>679 876</u>		<u>170 794</u>
5 793 848	Unexpended resources	
(1 420 061)	Balance as at 1 January	4 373 787
	Surplus expenditure	(319 611)
<u>4 373 787</u>	Balance as at 31 December g/	<u>4 054 176</u>
<u>5 053 663</u>		<u>4 224 970</u>

Note: Contributions due from Governments as at 31 December 1993 total \$1,134,710 (1991: \$666,429). An analysis of this amount is provided in note 31.

g/	Consisting of:	<u>1991</u>	<u>1993</u>
	Unspent allocations	1 796 278	2 310 535
	Unencumbered funds	<u>2 577 509</u>	<u>1 743 641</u>
		<u>4 373 787</u>	<u>4 054 176</u>

b/ This amount includes credit adjustments to prior bienniums' expenditure of \$105,827.

The accompanying notes are an integral part of the financial statements.

STATEMENT XIII

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorTrust Fund for the Training in the Russian Federation of Specialists from Developing Countries

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
2 957 611	Voluntary contributions from Governments	-
92 395	Interest income	2 440
(2 494 282)	Miscellaneous income/(expenditure)	(97 302)
555 717		(94 862)
2 255 392	Less: Expenditure	
	Project costs	(198 572)
282 111	Programme support costs:	
340 000	Executing agencies	(26 019)
	UNDP	97 000
2 877 703		(127 591)
(2 321 986)	Surplus income/(expenditure)	32 729
ASSETS		
609 771	Operating funds provided to executing agencies	34 511
391 038	Due from UNDP	608 711
1 000 809		643 222
LIABILITIES AND UNEXPENDED RESOURCES		
691 052	Operating funds payable to executing agencies	510 184
209 448	Unliquidated obligations of executing agencies	-
900 500		510 184
2 422 295	Unexpended resources	
(2 321 986)	Balance as at 1 January	100 309
	Surplus income/(expenditure)	32 729
100 309	Balance as at 31 December g/	133 038
1 000 809		643 222

Note: Contributions due from Governments as at 31 December 1993 total \$804,725 (1991:\$1,575,029).
 An analysis of this amount is provided in note 31.

g/ Consisting of:	1991	1993
Unspent allocations	2 177 172	11 547
Unencumbered funds	-	121 491
Allocations in excess of resources	(2 076 863)	-
	100 309	133 038

The accompanying notes are an integral part of the financial statements.

STATEMENT XIV

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorTrust Fund for Special Netherlands Contribution for the Least Developed Countries

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

<u>1990-1991</u>		<u>1992-1993</u>
	INCOME AND EXPENDITURE	
<u>414 641</u>	Interest income	<u>180 690</u>
	Less: Expenditure	
803 003	Project costs	1 262 573
<u>104 390</u>	Programme support costs:	
	Executing agencies	<u>130 030</u>
<u>907 393</u>		<u>1 400 603</u>
(492 752)	Surplus expenditure	(1 219 913)
	ASSETS	
<u>2 425 494</u>	Due from UNDP	<u>1 055 056</u>
	LIABILITIES AND UNEXPENDED RESOURCES	
<u>244 965</u>	Unliquidated obligations of executing agencies	<u>94 440</u>
	Unexpended resources	
2 673 281	Balance as at 1 January	2 180 529
(492 752)	Surplus expenditure	(1 219 913)
<u>2 180 529</u>	Balance as at 31 December a/	<u>960 616</u>
<u>2 425 494</u>		<u>1 055 056</u>

a/ Consisting of:

	<u>1991</u>	<u>1993</u>
Unspent allocations	1 047 262	906 549
Unencumbered funds	<u>1 133 267</u>	<u>54 067</u>
	<u>2 180 529</u>	<u>960 616</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XV

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorUNDP Trust Fund for Developing Countries Afflicted by Famine and Malnutrition

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

<u>1990-1991</u>		<u>1992-1993</u>
INCOME AND EXPENDITURE		
434 663	Cost-sharing contributions	888 081
272 470	Interest income	215 066
<u>(284)</u>	Miscellaneous income/(expenditure)	<u>81 118</u>
706 849		<u>1 184 265</u>
2 906 036	Less: Expenditure	
	Project costs	3 169 248
	Programme support costs:	
<u>(672)</u>	Executing agencies	<u>-</u>
2 905 364		<u>3 169 248</u>
<u>(2 198 515)</u>	Surplus expenditure	<u>(1 984 983)</u>
ASSETS		
2 199	Cash	2 199
303 000	Government Letter of Credit	-
2 059 874	Operating funds provided to Governments for	
69 757	executing projects	387 622
<u>567 283</u>	Operating funds provided to executing agencies	<u>29 362</u>
3 002 113	Due from UNDP	<u>591 724</u>
		<u>1 010 907</u>
LIABILITIES AND UNEXPENDED RESOURCES		
95 565	Operating funds payable to Governments for	
19 668	executing projects	75 344
<u>31 704</u>	Operating funds payable to executing agencies	<u>6 422</u>
146 937	Unliquidated obligations of executing agencies	<u>58 948</u>
		<u>140 714</u>
5 053 691	Unexpended resources	
<u>(2 198 515)</u>	Balance as at 1 January	<u>2 855 176</u>
2 855 176	Surplus expenditure	<u>(1 984 983)</u>
3 002 113	Balance as at 31 December a/	<u>870 193</u>
		<u>1 010 907</u>

a/ Consisting of:

	<u>1991</u>	<u>1993</u>
Unspent allocations	3 828 982	1 399 060
Allocations in excess of resources	<u>(973 806)</u>	<u>(528 867)</u>
	<u>2 855 176</u>	<u>870 193</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XVI

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorPérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing CountriesStatus of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
-	Voluntary contributions from Governments	1 000
1 120 250	Interest income	889 672
-	Miscellaneous income/(expenditure)	3 161
<u>1 120 250</u>		<u>893 833</u>
	Less: Expenditure	
1 041 079	Project costs	1 447 406
	Programme support costs:	
<u>33 356</u>	UNDP	<u>14 474</u>
<u>1 074 435</u>		<u>1 461 880</u>
45 815	Surplus income/(expenditure)	(568 047)
<u></u>		<u></u>
ASSETS		
3 395	Cash	466
6 561 704	Investments (schedule 10)	5 862 027
707 640	Operating funds provided to Governments for executing projects	47 877
71 252	Operating funds provided to executing agencies	268 107
<u>147 524</u>	Accrued interest	<u>225 488</u>
<u>7 491 515</u>		<u>6 403 965</u>
LIABILITIES AND UNEXPENDED RESOURCES		
6 306	Unliquidated obligations of executing agencies	-
<u>622 752</u>	Due to UNDP	<u>109 555</u>
<u>629 058</u>		<u>109 555</u>
	Unexpended resources	
6 816 642	Balance as at 1 January	6 862 457
<u>45 815</u>	Surplus income/(expenditure)	<u>(568 047)</u>
<u>6 862 457</u>	Balance as at 31 December a/	<u>6 294 410</u>
<u>7 491 515</u>		<u>6 403 965</u>

a/ Consisting of:

	1991	1993
Unspent allocations	1 405 196	436 156
Unencumbered funds	<u>5 457 261</u>	<u>5 858 254 b/</u>
	<u>6 862 457</u>	<u>6 294 410</u>

b/ See note 28.

The accompanying notes are an integral part of the financial statements.

STATEMENT XVII

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorUNDP Trust Fund for Assistance to Refugee-related Development Projects in Africa

Status of funds for the biennium ended 31 December 1993
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
367 912	Interest income	236 497
	Miscellaneous income/(expenditure)	1 336
<u>367 912</u>		<u>237 831</u>
2 159 133	Less: Expenditure	
	Project costs	1 245 871
235 923	Programme support costs:	
<u>287 300</u>	Executing agencies	93 591
	UNDP	<u>219 345</u>
<u>2 682 356</u>		<u>1 558 807</u>
(2 314 444)	Surplus expenditure	(1 320 976)
ASSETS		
240 167	Operating funds provided to Governments for	
154 834	executing projects	354 198
<u>2 622 124</u>	Operating funds provided to executing agencies	97 680
	Due from UNDP	<u>1 261 443</u>
<u>3 017 125</u>		<u>1 713 321</u>
LIABILITIES AND UNEXPENDED RESOURCES		
13 004	Operating funds payable to Governments for	
<u>63 543</u>	executing projects	
	Unliquidated obligations of executing agencies	93 719
<u>76 547</u>		<u>93 719</u>
5 255 022	Unexpended resources	
(2 314 444)	Balance as at 1 January	2 940 578
	Surplus expenditure	<u>(1 320 976)</u>
<u>2 940 578</u>	Balance as at 31 December a/	<u>1 619 602</u>
<u>3 017 125</u>		<u>1 713 321</u>

a/ Consisting of:

	1991	1993
Unspent allocations	2 079 923	1 654 829
Unencumbered funds	860 653	-
Allocations in excess of resources	-	(35 227)
	<u>2 940 578</u>	<u>1 619 602</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XVIII

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorUNDP Trust Fund to Combat Poverty and Hunger in Africa

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
540 428	Extrabudgetary contributions from Governments	-
-	Interest income:	
159 144	General resources	1 410
	Sub-trust funds	57 492
<u>699 572</u>		<u>58 902</u>
	Less: Expenditure	
	Project costs:	
98	General resources	(99)
424 524	Sub-trust funds	76 357
	Programme support costs:	
46 698	Executing agencies - sub-trust funds	8 399
62 120	UNDP - sub-trust funds	764
<u>187 902</u>	Extrabudgetary activities	<u>62 609</u>
<u>721 342</u>		<u>148 030</u>
(21 770)	Surplus expenditure	(89 128)
ASSETS		
517	Accounts receivable and deferred charges	-
<u>1 082 937</u>	Due from UNDP	<u>952 499</u>
1 083 454		<u>952 499</u>
LIABILITIES AND UNEXPENDED RESOURCES		
<u>41 827</u>	Accounts payable	-
	Unexpended resources	
44 209	General resources	(schedule 9) 45 718
644 405	Sub-trust funds	(statement XXVII and schedule 9) 616 377
<u>353 013</u>	Extrabudgetary activities	(schedule 9) <u>290 406</u>
<u>1 041 627</u>	Balance as at 31 December a/	<u>952 499</u>
1 083 454		<u>952 499</u>

a/ Consisting of:

	1991	1993
Unspent allocations:		
Sub-trust funds	57 498	34 862
Unencumbered funds:		
General resources	44 209	45 718
Sub-trust funds	586 907	581 515
Extrabudgetary activities	<u>353 013</u>	<u>290 406</u>
	<u>1 041 627</u>	<u>952 499</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XIX
UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the Administrator

Trust Fund for the Norwegian Contribution to the Angolan Petroleum Training Centre in Sumbe

Status of funds for the biennium ended 31 December 1993
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

<u>1990-1991</u>		<u>1992-1993</u>
	INCOME AND EXPENDITURE	
66 599	Interest income	43 549
-	Less: Expenditure	-
<u>66 599</u>	Surplus income	<u>43 549</u>
	ASSETS	
<u>487 127</u>	Due from UNDP	<u>530 676</u>
	LIABILITIES AND UNEXPENDED RESOURCES	
	Unexpended resources	
420 528	Balance as at 1 January	487 127
<u>66 599</u>	Surplus income	<u>43 549</u>
<u>487 127</u>	Balance as at 31 December a/	<u>530 676</u>
<u>487 127</u>		<u>530 676</u>

a/ Consisting of:

	<u>1991</u>	<u>1993</u>
Unspent allocations	50 001	50 001
Unencumbered funds	<u>437 126</u>	<u>480 675</u>
	<u>487 127</u>	<u>530 676</u>

STATEMENT XX

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorTrust Fund for Emergency Assistance to the People's Republic of MozambiqueStatus of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

1990-1991		1992-1993
INCOME AND EXPENDITURE		
6 196 505	Cost-sharing contributions	1 905 573
155 601	Interest income	196 667
-	Miscellaneous income/(expenditure)	(16 668)
<u>6 352 106</u>		<u>2 085 572</u>
4 645 431	Less: Expenditure	2 439 350
20 205	Project costs	
72 956	Programme support costs:	
	Executing agencies	34 588
	UNDP	<u>83 407</u>
<u>4 738 592</u>		<u>2 557 365</u>
1 613 514	Surplus income/(expenditure)	(471 773)
<u> </u>		<u> </u>
ASSETS		
204 271	Operating funds provided to Governments	65 436
330 000	for executing projects	
<u>1 612 194</u>	Operating funds provided to executing agencies	<u>1 757 194</u>
	Due from UNDP	
2 146 465		<u>1 822 630</u>
<u> </u>		<u> </u>
LIABILITIES AND UNEXPENDED RESOURCES		
-	Operating funds payable to Governments	3 147
-	for executing projects	107 070
-	Operating funds payable to executing agencies	<u>37 721</u>
<u> </u>	Unliquidated obligations of executing agencies	<u>147 938</u>
		<u> </u>
532 951	Unexpended resources	2 146 465
<u>1 613 514</u>	Balance as at 1 January	<u>(471 773)</u>
	Surplus income/(expenditure)	
<u>2 146 465</u>	Balance as at 31 December g/	<u>1 674 692</u>
2 146 465		<u>1 822 630</u>
<u> </u>		<u> </u>

Note: Contributions due from Governments as at 31 December 1993 total \$161,241 (1991: \$816,930).
An analysis of this amount is provided in note 31.

g/ Consisting of:	1991	1993
Unspent allocations	2 709 566	1 466 258
Unencumbered funds	-	208 434
Allocations in excess of resources	<u>(563 101)</u>	<u>-</u>
	<u>2 146 465</u>	<u>1 674 692</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXI

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorTrust fund for the Global Environment FacilityStatus of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

<u>1990-1991</u>		<u>1992-1993</u>
INCOME AND EXPENDITURE		
2 500 000	Voluntary contributions from Governments	63 200 000
70 000	and other contributors	1 205 929
-	Cost-sharing contributions	
-	Interest income:	
-	General resources and cost-sharing	921 510
	Miscellaneous income/(expenditure)	(6 447)
<u>2 570 000</u>		<u>65 320 992</u>
	Less: Expenditure	
1 811 189	Project costs:	
-	General resources	41 443 467
	Cost-sharing	279 688
199 723	Programme support costs: Executing agencies	
-	General resources	2 265 257
-	Cost-sharing	10 875
	Administrative costs	<u>3 581 888</u>
<u>2 010 912</u>		<u>47 581 175</u>
559 088	Surplus income	<u>17 739 817</u>
ASSETS		
-	Operating funds provided to Governments for	
-	executing projects	910 125
1 317 939	Operating funds provided to executing agencies	2 387 955
	Due from UNDP	<u>26 573 758</u>
<u>1 317 939</u>		<u>29 871 838</u>
LIABILITIES AND UNEXPENDED RESOURCES		
22 746	Operating funds payable to executing agencies	39 283
-	Accounts payable	194 473
<u>736 105</u>	Unliquidated obligations of executing agencies	<u>11 339 177</u>
<u>758 851</u>		<u>11 572 933</u>
	Unexpended resources	
489 088	General resources (schedule 9)	17 313 539
70 000	Cost-sharing (schedule 9)	<u>985 366</u>
<u>559 088</u>		<u>18 298 905</u>
1 317 939	Balance as at 31 December 9/	<u>29 871 838</u>

STATEMENT XXI (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$1,677,852 (1991: Nil).
An analysis of this amount is provided in note 31.

<u>a/</u> Consisting of:	<u>1991</u>	<u>1993</u>
Unspent allocations:		
General resources	1 703 347	123 621 905
Cost-sharing	-	22 466
Unencumbered funds:		
Cost-sharing	-	962 900
Allocations in excess of resources:		
General resources	(1 144 259)	(106 308 366) <u>b/</u>
	<u>559 088</u>	<u>18 298 905</u>

b/ See note 29.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXII
 UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
Trust Fund for Environmental Conservation in Bhutan
Status of funds for the biennium ended 31 December 1993 a/
 (United States dollars)

1992-1993

INCOME AND EXPENDITURE

Voluntary contributions from Governments	10 093 540
Interest income	358 584
Miscellaneous income/(expenditure)	<u>(37 267)</u>
	10 414 857
Less: Expenditure	
Project costs	10 038
Programme support costs:	
UNDP	<u>301</u>
	10 339
Surplus income	<u>10 404 518</u>

ASSETS

Investments	(schedule 10)	9 242 067
Operating funds provided to Governments for executing projects		71 120
Due from UNDP		898 510
Accrued interest		<u>192 821</u>
		10 404 518

LIABILITIES AND UNEXPENDED RESOURCES

Unexpended resources		
Balance as at 1 January 1992		-
Surplus income		<u>10 404 518</u>
Balance as at 31 December 1993 b/		<u>10 404 518</u>
		10 404 518

a/ This trust fund started its operations in 1992.

b/ Consisting of: 1993

Unencumbered funds 10 404 518 c/

c/ See note 30.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXIII

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorUNDP Trust Fund for Humanitarian and Rehabilitation Assistance for CambodiaStatus of funds for the biennium ended 31 December 1993 a/

(United States dollars)

	1992-1993
INCOME AND EXPENDITURE	
Cost-sharing contributions for sub-trust funds	7 074 616
Interest income:	
Sub-trust funds	<u>84 492</u>
	7 159 108
Less: Expenditure	
Project costs:	
Sub-trust funds	5 620 094
Programme support costs:	
Executing agencies - sub-trust funds	597 916
UNDP - sub-trust funds	<u>56 201</u>
	6 274 211
Surplus income	<u>884 897</u>
ASSETS	
Due from UNDP	<u>1 264 479</u>
LIABILITIES AND UNEXPENDED RESOURCES	
Unliquidated obligations of executing agencies	<u>379 582</u>
Unexpended resources	
Sub-trust funds	(statement XXVII and schedule 9) <u>884 897</u>
Balance as at 31 December b/	<u>884 897</u>
	<u>1 264 479</u>

a/ This trust fund started its operations in 1992.

b/ Consisting of:

	<u>1993</u>
Unspent allocations:	
Sub-trust funds	872 858
Unencumbered funds:	
Sub-trust funds	<u>12 039</u>
	<u>884 897</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXIV
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
"Capacity 21" Trust Fund

Status of funds for the biennium ended 31 December 1993 a/

(United States dollars)

	<u>1992-1993</u>
INCOME AND EXPENDITURE	
Voluntary contributions from Governments	19 602 054
Less: Expenditure	
Project costs	137 388
Administrative costs	<u>178 538</u>
	315 926
Surplus income	<u>19 286 128</u>
ASSETS	
Operating funds provided to Governments for executing projects	38 962
Due from UNDP	<u>19 284 799</u>
	<u>19 323 761</u>
LIABILITIES AND UNEXPENDED RESOURCES	
Accounts payable	<u>37 633</u>
Unexpended resources	
Balance as at 1 January	-
Surplus income	<u>19 286 128</u>
Balance as at 31 December b/	<u>19 286 128</u>
	<u>19 323 761</u>

Note: Contributions due from Governments as at 31 December 1993 total \$4,208,410.
An analysis of this amount is provided in note 31.

a/ This trust fund started its operations in 1993.

b/ Consisting of:

	<u>1993</u>
Unspent allocations	776 611
Unencumbered funds	<u>18 509 517</u>
	<u>19 286 128</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Other trust funds established by the Administrator
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

	Australian Development Assistance Bureau (ADAB)/UNDP Programme Trust Fund		CIDA/UNDP Trust Fund for the Bangladesh National Household Survey Capability Programme	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	457 979	1 099 292	354 578	546 069
Interest income	56 444	87 453	10 510	-
Miscellaneous income/(expenditure)	(242)	-	-	-
	<u>514 181</u>	<u>1 186 745</u>	<u>365 088</u>	<u>546 069</u>
Less: Expenditure				
Project costs	448 324	889 391	241 296	427 003
Programme support costs:				
Executing agencies	30 200	103 971	31 368	55 511
UNDP	-	-	2 413	4 271
	<u>478 524</u>	<u>993 362</u>	<u>275 077</u>	<u>486 785</u>
Surplus income	<u>35 657</u>	<u>193 383</u>	<u>90 011</u>	<u>59 284</u>
ASSETS				
Operating funds provided to Governments for executing projects	61 109	69 303	-	-
Operating funds provided to executing agencies Due from UNDP	-	94 634	-	-
	<u>675 904</u>	<u>536 211</u>	<u>722 118</u>	<u>359 442</u>
	<u>737 013</u>	<u>700 148</u>	<u>722 118</u>	<u>359 442</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	29 272	15 075	544 168	219 924
Unliquidated obligations of executing agencies	<u>6 380</u>	<u>19 369</u>	<u>9 321</u>	<u>60 900</u>
	<u>35 652</u>	<u>34 444</u>	<u>553 489</u>	<u>280 824</u>
Unexpended resources				
Balance as at 1 January	665 704	472 321	78 618	19 334
Surplus income	<u>35 657</u>	<u>193 383</u>	<u>90 011</u>	<u>59 284</u>
Balance as at 31 December a/	<u>701 361</u>	<u>665 704</u>	<u>168 629</u>	<u>78 618</u>
	<u>737 013</u>	<u>700 148</u>	<u>722 118</u>	<u>359 442</u>
a/ Consisting of:				
Unspent allocations	-	415 292	111 852	375 037
Unencumbered funds	701 361	250 412	56 777	-
Allocations in excess of resources	-	-	-	(296 419)
	<u>701 361</u>	<u>665 704</u>	<u>168 629</u>	<u>78 618</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	CIDA/UNDP Trust Fund for the Caribbean Project Development Facility		CIDA/UNDP Trust Fund for the Pakistan National Household Survey Capability Programme	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	423 729	851 450	164 802	83 645
Interest income	<u>19 472</u>	<u>2 589</u>	<u>5 614</u>	<u>11 518</u>
	<u>443 201</u>	<u>854 039</u>	<u>170 416</u>	<u>95 163</u>
Less: Expenditure				
Project costs	359 080	789 809	144 171	147 905
Programme support costs:				
Executing agencies	39 499	86 790	18 743	19 227
UNDP	<u>18 608</u>	<u>35 292</u>	<u>3 413</u>	<u>1 479</u>
	<u>417 187</u>	<u>911 891</u>	<u>166 327</u>	<u>168 611</u>
Surplus income/(expenditure)	<u>26 014</u>	<u>(57 852)</u>	<u>4 089</u>	<u>(73 448)</u>
ASSETS				
Operating funds provided to executing agencies	-	-	39 256	65 552
Due from UNDP	<u>-</u>	<u>-</u>	<u>42 534</u>	<u>17 531</u>
	<u>-</u>	<u>-</u>	<u>81 790</u>	<u>83 083</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	-	-	5 772	11 154
Due to UNDP	<u>6 689</u>	<u>32 703</u>	<u>-</u>	<u>-</u>
	<u>6 689</u>	<u>32 703</u>	<u>5 772</u>	<u>11 154</u>
Unexpended resources				
Balance as at 1 January	(32 703)	25 149	71 929	145 377
Surplus income/(expenditure)	<u>26 014</u>	<u>(57 852)</u>	<u>4 089</u>	<u>(73 448)</u>
Balance as at 31 December b/	<u>(6 689)</u>	<u>(32 703)</u>	<u>76 018</u>	<u>71 929</u>
	<u>-</u>	<u>-</u>	<u>81 790</u>	<u>83 083</u>

b/ Consisting of:

Unspent allocations	270 665	308 773	33 308	186 053
Unencumbered funds	-	-	42 710	-
Allocations in excess of resources	(270 665)	(308 773)	-	(114 124)
Expenditure in excess of resources	<u>(6 689)</u>	<u>(32 703)</u>	<u>-</u>	<u>-</u>
	<u>(6 689)</u>	<u>(32 703)</u>	<u>76 018</u>	<u>71 929</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for Receipt of Payments by Users of the Caribbean Project Development Facility		UNDP Trust Fund for Action on Development Issues	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	1 278 237	673 271	2 000 000	1 700 000
Interest income	<u>18 306</u>	<u>32 937</u>	<u>3 968</u>	<u>18 128</u>
	1 296 543	706 208	2 003 968	1 718 128
Less: Expenditure				
Project costs	428 669	672 604	2 221 108	1 952 863
Programme support costs:				
Executing agencies	47 154	73 980	111 056	97 642
UNDP	<u>4 287</u>	<u>9 223</u>	<u>53 098</u>	<u>40 032</u>
	480 110	755 807	2 385 262	2 090 537
Surplus income/(expenditure)	<u>816 433</u>	<u>(49 599)</u>	<u>(381 294)</u>	<u>(372 409)</u>
ASSETS				
Accounts receivable and deferred charges Due from UNDP	<u>980 506</u>	<u>164 073</u>	-	30 888
	980 506	164 073	-	82 554
				113 442
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies Due to UNDP	<u>-</u>	<u>-</u>	<u>270 582</u>	2 730
	-	-	270 582	2 730
Unexpended resources				
Balance as at 1 January	164 073	213 672	110 712	483 121
Surplus income/(expenditure)	<u>816 433</u>	<u>(49 599)</u>	<u>(381 294)</u>	<u>(372 409)</u>
Balance as at 31 December g/	<u>980 506</u>	<u>164 073</u>	<u>(270 582) d/</u>	110 712
	980 506	164 073	-	113 442
g/ Consisting of:				
Unspent allocations	1 159 864	124 441	-	154 487
Unencumbered funds	-	39 632	-	-
Allocations in excess of resources	(179 358)	-	-	(43 775)
Expenditure in excess of resources	<u>-</u>	<u>-</u>	<u>(270 582) d/</u>	<u>-</u>
	980 506	164 073	(270 582)	110 712

d/ Additional contributions amounting to \$125,000 were received in January 1994.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for Support to the Programmes of the Ministry of Planning of Costa Rica		UNDP Trust Fund for Assistance to the Technical Cooperation Fund between Peru and Argentina to Administer Food Aid	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	-	10 276	623 023
Interest income	47 066	76 254	22 779	21 918
Miscellaneous income/(expenditure)	-	-	(789)	(846)
	<u>47 066</u>	<u>76 254</u>	<u>32 266</u>	<u>644 095</u>
Less: Expenditure				
Project costs	194 285	-	176 656	404 029
Programme support costs:				
UNDP	-	-	839	24 921
	<u>194 285</u>	<u>-</u>	<u>177 495</u>	<u>428 950</u>
Surplus income/(expenditure)	<u>(147 219)</u>	<u>76 254</u>	<u>(145 229)</u>	<u>215 145</u>
ASSETS				
Operating funds provided to Governments for executing projects	-	194 285	99 549	29 535
Due from UNDP	-	<u>332 140</u>	<u>96 122</u>	<u>311 365</u>
	<u>-</u>	<u>526 425</u>	<u>195 671</u>	<u>340 900</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	526 425	450 171	340 900	125 755
Surplus income/(expenditure)	(147 219)	76 254	(145 229)	215 145
Transfer of resources ^{g/}	<u>(379 206)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at 31 December ^{f/}	<u>-</u>	<u>526 425</u>	<u>195 671</u>	<u>340 900</u>
	<u>-</u>	<u>526 425</u>	<u>195 671</u>	<u>340 900</u>
Footnotes:				
^{g/} Refunds to donors and transfers of unexpended resources were made on instructions of donors. This trust fund will be closed in 1994.				
^{f/} Consisting of:				
Unspent allocations	-	639 084	64 122	(62 516)
Unencumbered funds	-	-	131 549	403 416
Allocations in excess of resources	-	<u>(112 659)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>526 425</u>	<u>195 671</u>	<u>340 900</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP/Live Aid Foundation Trust Fund		UNDP/United Support of Artists for Africa Trust Fund	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Interest income	3 582	5 480	32 194	50 454
Miscellaneous income/(expenditure)	-	-	(17)	-
	<u>3 582</u>	<u>5 480</u>	<u>32 177</u>	<u>50 454</u>
Less: Expenditure				
Project costs	-	-	95 824	-
Programme support costs:				
UNDP	-	-	958	-
	<u>-</u>	<u>-</u>	<u>96 782</u>	<u>-</u>
Surplus income/(expenditure)	<u>3 582</u>	<u>5 480</u>	<u>(64 605)</u>	<u>50 454</u>
ASSETS				
Operating funds provided to executing agencies	-	-	-	89 862
Due from UNDP	<u>43 650</u>	<u>40 068</u>	<u>295 500</u>	<u>270 243</u>
	<u>43 650</u>	<u>40 068</u>	<u>295 500</u>	<u>360 105</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	40 068	34 588	360 105	309 651
Surplus income/(expenditure)	<u>3 582</u>	<u>5 480</u>	<u>(64 605)</u>	<u>50 454</u>
Balance as at 31 December ^{g/}	<u>43 650</u>	<u>40 068</u>	<u>295 500</u>	<u>360 105</u>
	<u>43 650</u>	<u>40 068</u>	<u>295 500</u>	<u>360 105</u>
^{g/} Consisting of:				
Unspent allocations	-	30 309	-	4 119
Unencumbered funds	<u>43 650</u>	<u>9 759</u>	<u>295 500</u>	<u>355 986</u>
	<u>43 650</u>	<u>40 068</u>	<u>295 500</u>	<u>360 105</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Government of France Trust Fund for the UNDP/World Bank Energy Sector Assessment Programme		Nicosia Master Plan: Implementation Phase	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	1 152 615	-	-
Interest income	<u>103 746</u>	<u>78 346</u>	<u>8 722</u>	<u>18 484</u>
	<u>103 746</u>	<u>1 230 961</u>	<u>8 722</u>	<u>18 484</u>
Less: Expenditure				
Project costs	94 553	492 611	15 078	36 736
Programme support costs:				
Executing agencies	8 510	44 336	603	1 469
UNDP	<u>1 891</u>	<u>9 852</u>	-	-
	<u>104 954</u>	<u>546 799</u>	<u>15 681</u>	<u>38 205</u>
Surplus income/(expenditure)	<u>(1 208)</u>	<u>684 162</u>	<u>(6 959)</u>	<u>(19 721)</u>
ASSETS				
Operating funds provided to executing agencies	20 415	-	-	-
Due from UNDP	<u>1 300 278</u>	<u>1 578 423</u>	<u>88 829</u>	<u>95 788</u>
	<u>1 320 693</u>	<u>1 578 423</u>	<u>88 829</u>	<u>95 788</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	-	173 022	-	-
Unliquidated obligations of executing agencies	<u>-</u>	<u>83 500</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>256 522</u>	<u>-</u>	<u>-</u>
Unexpended resources				
Balance as at 1 January	1 321 901	637 739	95 788	115 509
Surplus income/(expenditure)	<u>(1 208)</u>	<u>684 162</u>	<u>(6 959)</u>	<u>(19 721)</u>
Balance as at 31 December h/	<u>1 320 693</u>	<u>1 321 901</u>	<u>88 829</u>	<u>95 788</u>
	<u>1 320 693</u>	<u>1 578 423</u>	<u>88 829</u>	<u>95 788</u>
h/ Consisting of:				
Unspent allocations	1 058 813	1 125 942	52 187	56 685
Unencumbered funds	<u>261 880</u>	<u>195 959</u>	<u>36 642</u>	<u>39 103</u>
	<u>1 320 693</u>	<u>1 321 901</u>	<u>88 829</u>	<u>95 788</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Finland/UNDP Trust Fund for the Construction of an Agro-Veterinary School in Rushashi ^{1/}		Finland Trust Fund for National Technical Cooperation Assessment and Programme Activities (NatCAP)	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	254 902	-	-	-
Interest income	<u>223 884</u>	<u>488 454</u>	<u>109 039</u>	<u>310 874</u>
	<u>478 786</u>	<u>488 454</u>	<u>109 039</u>	<u>310 874</u>
Less: Expenditure				
Project costs	1 771 811	1 434 457	296 207	1 161 586
Programme support costs:				
Executing agencies	106 309	86 067	32 582	127 775
UNDP	<u>17 718</u>	<u>15 034</u>	<u>8 890</u>	<u>34 848</u>
	<u>1 895 838</u>	<u>1 535 558</u>	<u>337 679</u>	<u>1 324 209</u>
Surplus expenditure	<u>(1 417 052)</u>	<u>(1 047 104)</u>	<u>(228 640)</u>	<u>(1 013 335)</u>
ASSETS				
Accounts receivable and deferred charges	-	-	-	1 795
Due from UNDP	<u>1 505 816</u>	<u>3 165 841</u>	<u>1 028 180</u>	<u>1 227 862</u>
	<u>1 505 816</u>	<u>3 165 841</u>	<u>1 028 180</u>	<u>1 229 657</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	<u>245 132</u>	<u>488 105</u>	<u>47 362</u>	<u>20 199</u>
Unexpended resources				
Balance as at 1 January	2 677 736	3 724 840	1 209 458	2 222 793
Surplus expenditure	<u>(1 417 052)</u>	<u>(1 047 104)</u>	<u>(228 640)</u>	<u>(1 013 335)</u>
	<u>1 260 684</u>	<u>2 677 736</u>	<u>980 818</u>	<u>1 209 458</u>
Balance as at 31 December ^{1/}	<u>1 505 816</u>	<u>3 165 841</u>	<u>1 028 180</u>	<u>1 229 657</u>

^{1/} Contributions due from Governments as at 31 December 1993 total 385,865 (1991: 3340,767).
An analysis of this amount is provided in note 31.

^{1/} Consisting of:

Unspent allocations	502 006	2 380 126	468 572	690 454
Unencumbered funds	<u>758 678</u>	<u>297 610</u>	<u>517 246</u>	<u>519 004</u>
	<u>1 260 684</u>	<u>2 677 736</u>	<u>980 818</u>	<u>1 209 458</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	CIDA/UNDP Trust Fund for African Project Development Facility g/		CIDA/UNDP Trust Fund to Support Project "Development of Underground Water Resources in Mali"	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	796 677	704 969	-	-
Interest income	<u>16 005</u>	<u>-</u>	<u>338</u>	<u>-</u>
	<u>812 682</u>	<u>704 969</u>	<u>338</u>	<u>-</u>
Less: Expenditure				
Project costs	668 107	550 344	-	-
Programme support costs:				
Executing agencies	73 492	60 538	-	-
UNDP	<u>27 436</u>	<u>9 117</u>	<u>-</u>	<u>-</u>
	<u>769 035</u>	<u>619 999</u>	<u>-</u>	<u>-</u>
Surplus income	<u>43 647</u>	<u>84 970</u>	<u>338</u>	<u>-</u>
ASSETS				
Operating funds provided to executing agencies	1 874	1 872	-	760
Due from UNDP	<u>274 115</u>	<u>559 269</u>	<u>-</u>	<u>2 944</u>
	<u>275 989</u>	<u>561 141</u>	<u>-</u>	<u>3 704</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	121 942	435 642	-	-
Unliquidated obligations of executing agencies	<u>-</u>	<u>15 099</u>	<u>-</u>	<u>-</u>
	<u>121 942</u>	<u>450 741</u>	<u>-</u>	<u>-</u>
Unexpended resources				
Balance as at 1 January	110 400	25 430	3 704	3 704
Surplus income	43 647	84 970	338	-
Transfer of resources l/	<u>-</u>	<u>-</u>	<u>(4 042)</u>	<u>-</u>
Balance as at 31 December m/	<u>154 047</u>	<u>110 400</u>	<u>-</u>	<u>3 704</u>
	<u>275 989</u>	<u>561 141</u>	<u>-</u>	<u>3 704</u>

k/ Contributions due from Governments as at 31 December 1993 total \$151,515 (1991: \$1,052,632).
An analysis of this amount is provided in note 31.

l/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.
This trust fund was closed in 1993.

m/ Consisting of:

Unspent allocations	378 679	1 090 420	-	-
Unencumbered funds	-	-	-	3 704
Allocations in excess of resources	<u>(226 632) g/</u>	<u>(989 020)</u>	<u>-</u>	<u>-</u>
	<u>154 047</u>	<u>110 400</u>	<u>-</u>	<u>3 704</u>

g/ Allocations exceeding resources were issued on the basis of contributions receivable.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Netherlands Trust Fund for Special Action Programme for Public Administration and Management		Trust Fund for Special Economic Assistance Programmes	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	534 989	1 056 677	-	-
Interest income	<u>287 474</u>	<u>527 400</u>	<u>18 832</u>	<u>32 786</u>
	<u>822 463</u>	<u>1 584 077</u>	<u>18 832</u>	<u>32 786</u>
Less: Expenditure				
Project costs	1 223 898	1 935 239	12 000	12 170
Programme support costs:				
Executing agencies	159 020	248 966	1 320	250
UNDP	<u>12 239</u>	<u>21 968</u>	<u>120</u>	<u>470</u>
	<u>1 395 157</u>	<u>2 206 173</u>	<u>13 440</u>	<u>12 890</u>
Surplus income/(expenditure)	<u>(572 694)</u>	<u>(622 096)</u>	<u>5 392</u>	<u>19 896</u>
ASSETS				
Accounts receivable and deferred charges	-	-	-	107
Operating funds provided to executing agencies	122 373	-	-	-
Due from UNDP	<u>3 206 608</u>	<u>3 547 525</u>	<u>219 753</u>	<u>214 254</u>
	<u>3 328 981</u>	<u>3 547 525</u>	<u>219 753</u>	<u>214 361</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	687 211	96 789	-	-
Unliquidated obligations of executing agencies	<u>56 885</u>	<u>293 157</u>	-	-
	<u>744 096</u>	<u>389 946</u>	-	-
Unexpended resources				
Balance as at 1 January	3 157 579	3 779 675	214 361	194 465
Surplus income/(expenditure)	<u>(572 694)</u>	<u>(622 096)</u>	<u>5 392</u>	<u>19 896</u>
	<u>2 584 885</u>	<u>3 157 579</u>	<u>219 753</u>	<u>214 361</u>
Balance as at 31 December g/	<u>3 328 981</u>	<u>3 547 525</u>	<u>219 753</u>	<u>214 361</u>
g/ Consisting of:				
Unspent allocations	844 178	1 787 714	21 835	21 365
Unencumbered funds	<u>1 740 707</u>	<u>1 369 865</u>	<u>197 918</u>	<u>192 996</u>
	<u>2 584 885</u>	<u>3 157 579</u>	<u>219 753</u>	<u>214 361</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for Receipt of Payments by Users of the African Project Development Facility		CIDA/UNDP Trust Fund to Support Project "Recensement général de la population et de l'habitat" in Senegal	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	337 949	187 544	-	-
Interest income	<u>30 715</u>	<u>14 497</u>	<u>41 420</u>	<u>64 493</u>
	<u>368 664</u>	<u>202 041</u>	<u>41 420</u>	<u>64 493</u>
Less: Expenditure				
Project costs	-	-	2 247	(9 287)
Programme support costs:				
UNDP	<u>-</u>	<u>-</u>	<u>22</u>	<u>(93)</u>
	<u>-</u>	<u>-</u>	<u>2 269</u>	<u>(9 380)</u>
Surplus income	<u>368 664</u>	<u>202 041</u>	<u>39 151</u>	<u>73 873</u>
ASSETS				
Operating funds provided to Governments for executing projects	-	-	96 257	39 340
Operating funds provided to executing agencies	175 000	-	-	-
Accounts receivable and deferred charges	-	-	-	93
Due from UNDP	<u>479 979</u>	<u>286 315</u>	<u>403 609</u>	<u>421 282</u>
	<u>654 979</u>	<u>286 315</u>	<u>499 866</u>	<u>460 715</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	286 315	84 274	460 715	386 842
Surplus income	<u>368 664</u>	<u>202 041</u>	<u>39 151</u>	<u>73 873</u>
	<u>654 979</u>	<u>286 315</u>	<u>499 866</u>	<u>460 715</u>
Balance as at 31 December ^{B/}	<u>654 979</u>	<u>286 315</u>	<u>499 866</u>	<u>460 715</u>
B/ Consisting of:				
Unspent allocations	524 604	-	177 902	165 834
Unencumbered funds	<u>130 375</u>	<u>286 315</u>	<u>321 964</u>	<u>294 881</u>
	<u>654 979</u>	<u>286 315</u>	<u>499 866</u>	<u>460 715</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for the Safe Motherhood Initiative		UNDP Trust Fund for the African 2000 Network	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	-	4 576 437	8 604 724
Interest income	3 923	14 207	623 588	651 004
Miscellaneous income/(expenditure)	-	-	300	-
	<u>3 923</u>	<u>14 207</u>	<u>5 200 325</u>	<u>9 255 728</u>
Less: Expenditure				
Project costs	-	73 000	7 062 429	4 962 019
Programme support costs:				
Executing agencies	-	-	790 802	531 499
UNDP	-	-	215 673	144 954
	<u>-</u>	<u>73 000</u>	<u>8 068 904</u>	<u>5 638 472</u>
Surplus income/(expenditure)	<u>3 923</u>	<u>(58 793)</u>	<u>(2 868 579)</u>	<u>3 617 256</u>
ASSETS				
Accounts receivable and deferred charges	-	-	-	70
Due from UNDP	-	30 917	6 759 377	9 160 737
	<u>-</u>	<u>30 917</u>	<u>6 759 377</u>	<u>9 160 807</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	-	-	812 201	102 737
Management service agreements	-	-	287 685	530 000
	<u>-</u>	<u>-</u>	<u>1 099 886</u>	<u>632 737</u>
Unexpended resources				
Balance as at 1 January	30 917	89 710	8 528 070	4 910 814
Surplus income/(expenditure)	3 923	(58 793)	(2 868 579)	3 617 256
Transfer of resources g/	(34 840)	-	-	-
Balance as at 31 December r/	<u>-</u>	<u>30 917</u>	<u>5 659 491</u>	<u>8 528 070</u>
	<u>-</u>	<u>30 917</u>	<u>6 759 377</u>	<u>9 160 807</u>

g/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.
This trust fund was closed in 1993.

r/ Consisting of:

Unspent allocations	-	-	5 331 568	3 807 587
Unencumbered funds	-	30 917	327 923	4 720 483
	<u>-</u>	<u>30 917</u>	<u>5 659 491</u>	<u>8 528 070</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund in Support of the Steering Committee and Secretariat for the United Nations Programme of Action for African Economic Recovery and Development		African Training and Management Services (ATMS) Project	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	161 667	138 929	2 305 644	2 434 697
Interest income	14 511	41 151	115 821	211 714
	<u>176 178</u>	<u>180 080</u>	<u>2 421 465</u>	<u>2 646 411</u>
Less: Expenditure				
Project costs	104 362	271 504	4 465 921	1 039 529
Programme support costs:				
Executing agencies	6 261	16 291	491 251	114 348
UNDP	1 044	12 617	44 658	10 396
	<u>111 667</u>	<u>300 412</u>	<u>5 001 830</u>	<u>1 164 273</u>
Surplus income/(expenditure)	<u>64 511</u>	<u>(120 332)</u>	<u>(2 580 365)</u>	<u>1 482 138</u>
ASSETS				
Government letter of credit	-	-	-	1 350 000
Due from UNDP	<u>254 332</u>	<u>181 729</u>	<u>1 945 580</u>	<u>2 468 773</u>
	<u>254 332</u>	<u>181 729</u>	<u>1 945 580</u>	<u>3 818 773</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	-	-	861 049	133 254
Unliquidated obligations of executing agencies	<u>9 792</u>	<u>1 700</u>	<u>-</u>	<u>20 623</u>
	<u>9 792</u>	<u>1 700</u>	<u>861 049</u>	<u>153 877</u>
Unexpended resources				
Balance as at 1 January	180 029	300 361	3 664 896	2 182 758
Surplus income/(expenditure)	<u>64 511</u>	<u>(120 332)</u>	<u>(2 580 365)</u>	<u>1 482 138</u>
	<u>244 540</u>	<u>180 029</u>	<u>1 084 531</u>	<u>3 664 896</u>
Balance as at 31 December g/	<u>254 332</u>	<u>181 729</u>	<u>1 945 580</u>	<u>3 818 773</u>
g/ Consisting of:				
Unspent allocations	258 200	-	2 006 191	7 488 454
Unencumbered funds	-	180 029	-	-
Allocations in excess of resources	<u>(13 660)</u>	<u>-</u>	<u>(921 660)</u>	<u>(3 823 558)</u>
	<u>244 540</u>	<u>180 029</u>	<u>1 084 531</u>	<u>3 664 896</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Afghanistan Emergency Trust Fund		UNDP Fund for the Utilization of the Residual Funds of the United Nations Special Relief Office in Bangladesh (UNROB)	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	3 032 420	3 442 350	-	-
Interest income	-	180 699	203 813	649 878
Miscellaneous income	-	-	-	6 143
	<u>3 032 420</u>	<u>3 623 049</u>	<u>203 813</u>	<u>656 021</u>
Less: Expenditure				
Project costs	1 480 710	6 957 606	1 765 018	2 072 217
Programme support costs:				
Executing agencies	150 205	736 362	(98 748) 3/	69 521
UNDP	15 379	33 811	17 245	48 306
	<u>1 646 294</u>	<u>7 727 779</u>	<u>1 683 515</u>	<u>2 190 044</u>
Surplus income/(expenditure)	<u>1 386 126</u>	<u>(4 104 730)</u>	<u>(1 479 702)</u>	<u>(1 534 023)</u>
ASSETS				
Operating funds provided to executing agencies	-	-	552	-
Accounts receivable and deferred charges	-	8	-	-
Due from UNDP	<u>195 557</u>	<u>-</u>	<u>1 829 896</u>	<u>3 747 345</u>
	<u>195 557</u>	<u>8</u>	<u>1 830 448</u>	<u>3 747 345</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	-	-	1 211 747	1 202 195
Unliquidated obligations of executing agencies	170 287	439 130	28 253	475 000
Due to UNDP	-	921 734	-	-
	<u>170 287</u>	<u>1 360 864</u>	<u>1 240 000</u>	<u>1 677 195</u>
Unexpended resources				
Balance as at 1 January	(1 360 856)	2 743 874	2 070 150	3 604 173
Surplus income/(expenditure)	<u>1 386 126</u>	<u>(4 104 730)</u>	<u>(1 479 702)</u>	<u>(1 534 023)</u>
Balance as at 31 December 3/	<u>25 270</u>	<u>(1 360 856)</u>	<u>590 448</u>	<u>2 070 150</u>
	<u>195 557</u>	<u>8</u>	<u>1 830 448</u>	<u>3 747 345</u>

3/ This amount includes credit adjustments to prior bienniums' expenditure of \$125,000.

3/ Consisting of:

Unspent allocations	357 638	1 376 859	178 370	1 859 520
Unencumbered funds	-	-	412 078	210 630
Allocations in excess of resources	<u>(332 368)</u>	<u>(2 737 715)</u>	<u>-</u>	<u>-</u>
	<u>25 270</u>	<u>(1 360 856)</u>	<u>590 448</u>	<u>2 070 150</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Fund for Emergency Assistance to the People's Republic of Bangladesh		UNDP Fund for the Programme of Assistance to the Palestinian People	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	-	12 959 426	5 130 000
Interest income	74 213	332 441	294 131	346 847
Miscellaneous income/(expenditure)	-	2 363	-	-
	<u>74 213</u>	<u>334 804</u>	<u>13 253 557</u>	<u>5 476 847</u>
Less: Expenditure				
Project costs	458 000	1 728 107	4 510 020	3 748 542
Programme support costs:				
Executing agencies	22 900	86 405	266 242	197 416
UNDP	4 580	17 281	45 100	37 485
	<u>485 480</u>	<u>1 831 793</u>	<u>4 821 362</u>	<u>3 983 443</u>
Surplus income/(expenditure)	(411 267)	(1 496 989)	8 432 195	1 493 404
	<u></u>	<u></u>	<u></u>	<u></u>
ASSETS				
Government letter of credit	-	-	3 110 000	70 000
Operating funds provided to executing agencies	-	902 205	-	-
Due from UNDP	1 151 782	1 082 148	9 832 433	3 135 630
	<u>1 151 782</u>	<u>1 984 353</u>	<u>12 942 433</u>	<u>3 205 630</u>
	<u></u>	<u></u>	<u></u>	<u></u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	972 881	-	-	-
Unliquidated obligations of executing agencies	20 169	1 414 354	1 532 651	228 043
	<u>993 050</u>	<u>1 414 354</u>	<u>1 532 651</u>	<u>228 043</u>
Unexpended resources				
Balance as at 1 January	569 999	2 066 988	2 977 587	1 484 183
Surplus income/(expenditure)	(411 267)	(1 496 989)	8 432 195	1 493 404
	<u>158 732</u>	<u>569 999</u>	<u>11 409 782</u>	<u>2 977 587</u>
Balance as at 31 December y/	<u>1 151 782</u>	<u>1 984 353</u>	<u>12 942 433</u>	<u>3 205 630</u>
	<u></u>	<u></u>	<u></u>	<u></u>
y/ Consisting of:				
Unspent allocations	158 732	213 082	7 589 528	2 370 902
Unencumbered funds	-	356 917	3 820 254	609 685
	<u>158 732</u>	<u>569 999</u>	<u>11 409 782</u>	<u>2 977 587</u>
	<u></u>	<u></u>	<u></u>	<u></u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Coordination of International Agricultural Research		Preparation of an International Research Programme on Tropical Forestry	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments	-	50 000	-	-
Interest income	<u>347</u>	<u>6 669</u>	<u>1 344</u>	<u>13 448</u>
	<u>347</u>	<u>56 669</u>	<u>1 344</u>	<u>13 448</u>
Less: Expenditure				
Project costs	-	90 090	-	118 269
Programme support costs:				
Executing agencies	<u>-</u>	<u>9 910</u>	<u>-</u>	<u>4 731</u>
	<u>-</u>	<u>100 000</u>	<u>-</u>	<u>123 000</u>
Surplus income/(expenditure)	<u>347</u>	<u>(43 331)</u>	<u>1 344</u>	<u>(109 552)</u>
ASSETS				
Due from UNDP	<u>-</u>	<u>7 644</u>	<u>-</u>	<u>15 703</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	7 644	50 975	15 703	125 255
Surplus income/(expenditure)	347	(43 331)	1 344	(109 552)
Transfer of resources <u>y/</u>	<u>(7 991)</u>	<u>-</u>	<u>(17 047)</u>	<u>-</u>
Balance as at 31 December <u>x/</u>	<u>-</u>	<u>7 644</u>	<u>-</u>	<u>15 703</u>
	<u>-</u>	<u>7 644</u>	<u>-</u>	<u>15 703</u>

y/ Refunds to donors and transfers of unexpended resources were made on instructions of donors. These trust funds were closed in 1993.

x/ Consisting of:

Unencumbered funds

-	7 644	-	15 703
<u>-</u>	<u>7 644</u>	<u>-</u>	<u>15 703</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for Social Mobilization for Development		UNDP Trust Fund for Emergency Humanitarian Assistance to Angola	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	-	336 164	1 555 248
Interest income	<u>492</u>	<u>4 283</u>	<u>62 167</u>	<u>38 836</u>
	<u>492</u>	<u>4 283</u>	<u>398 331</u>	<u>1 594 084</u>
Less: Expenditure				
Project costs	6 000	24 435	1 828 507	-
Programme support costs:				
Executing agencies	660	2 688	201 136	-
UNDP	<u>60</u>	<u>687</u>	<u>18 285</u>	<u>-</u>
	<u>6 720</u>	<u>27 810</u>	<u>2 047 928</u>	<u>-</u>
Surplus income/(expenditure)	<u>(6 228)</u>	<u>(23 527)</u>	<u>(1 649 597)</u>	<u>1 594 084</u>
ASSETS				
Due from UNDP	<u>1 254</u>	<u>7 482</u>	<u>169 206</u>	<u>1 818 803</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	7 482	31 009	1 818 803	224 719
Surplus income/(expenditure)	<u>(6 228)</u>	<u>(23 527)</u>	<u>(1 649 597)</u>	<u>1 594 084</u>
Balance as at 31 December ^{y/}	<u>1 254</u>	<u>7 482</u>	<u>169 206</u>	<u>1 818 803</u>
	<u>1 254</u>	<u>7 482</u>	<u>169 206</u>	<u>1 818 803</u>
^{y/} Consisting of:				
Unspent allocations	501	7 161	-	-
Unencumbered funds	<u>753</u>	<u>321</u>	<u>169 206</u>	<u>1 818 803</u>
	<u>1 254</u>	<u>7 482</u>	<u>169 206</u>	<u>1 818 803</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for Namibia ^{xx/}		UNDP/Norway Trust Fund for the Special Plan of Economic Cooperation for Central America	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	394 965	2 461 188	-	396 666
Interest income	151 085	165 400	10 026	15 585
Miscellaneous income/(expenditure)	(13 327)	13 327	-	-
	<u>532 723</u>	<u>2 639 915</u>	<u>10 026</u>	<u>412 251</u>
Less: Expenditure				
Project costs	1 078 665	2 727 931	146 663	542 143
Programme support costs:				
Executing agencies	25 975	90 350	16 134	59 635
UNDP	10 786	27 280	1 467	5 421
	<u>1 115 426</u>	<u>2 845 561</u>	<u>164 264</u>	<u>607 199</u>
Surplus expenditure	<u>(582 703)</u>	<u>(205 646)</u>	<u>(154 238)</u>	<u>(194 948)</u>
ASSETS				
Operating funds provided to Governments for executing projects	32 366	-	-	-
Operating funds provided to executing agencies Due from UNDP	1 111 499	1 514 709	19 181	206 317
	<u>1 143 865</u>	<u>1 528 036</u>	<u>19 181</u>	<u>206 317</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	198 532	-	-	-
Unliquidated obligations of executing agencies	-	-	2 870	35 768
	<u>198 532</u>	<u>-</u>	<u>2 870</u>	<u>35 768</u>
Unexpended resources				
Balance as at 1 January	1 528 036	1 733 682	170 549	365 497
Surplus expenditure	<u>(582 703)</u>	<u>(205 646)</u>	<u>(154 238)</u>	<u>(194 948)</u>
Balance as at 31 December ^{xx/}	<u>945 333</u>	<u>1 528 036</u>	<u>16 311</u>	<u>170 549</u>
	<u>1 143 865</u>	<u>1 528 036</u>	<u>19 181</u>	<u>206 317</u>

^{xx/} Contributions due from Governments as at 31 December 1993 total \$10,811 (1991: \$11,722).
An analysis of this amount is provided in note 31.

^{xx/} Consisting of:

Unspent allocations	975 404	1 149 941	25 370	182 748
Unencumbered funds	-	378 095	-	-
Allocations in excess of resources	<u>(30 071)</u>	<u>-</u>	<u>(9 059)</u>	<u>(12 197)</u>
	<u>945 333</u>	<u>1 528 036</u>	<u>16 311</u>	<u>170 549</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for the Regional Project "Cultural Heritage and Development"		UNDP Trust Fund for Protection of the Ozone Layer	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	30 173	49 950	-	-
Interest income	<u>9 903</u>	<u>4 812</u>	<u>5 799</u>	<u>17 020</u>
	<u>40 076</u>	<u>54 762</u>	<u>5 799</u>	<u>17 020</u>
Less: Expenditure				
Project costs	160 847	-	(4 323)	259 568
Programme support costs:				
Executing agencies	-	-	(2 330)	28 553
UNDP	<u>1 608</u>	<u>-</u>	<u>(87)</u>	<u>5 192</u>
	<u>162 455</u>	<u>-</u>	<u>(6 740)</u>	<u>293 313</u>
Surplus income/(expenditure)	<u>(122 379)</u>	<u>54 762</u>	<u>12 539</u>	<u>(276 293)</u>
ASSETS				
Due from UNDP	<u>33 883</u>	<u>156 262</u>	<u>51 364</u>	<u>143 405</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	<u>-</u>	<u>-</u>	<u>1 000</u>	<u>105 580</u>
	<u>-</u>	<u>-</u>	<u>1 000</u>	<u>105 580</u>
Unexpended resources				
Balance as at 1 January	156 262	101 500	37 825	314 118
Surplus income/(expenditure)	<u>(122 379)</u>	<u>54 762</u>	<u>12 539</u>	<u>(276 293)</u>
Balance as at 31 December ^{bb/}	<u>33 883</u>	<u>156 262</u>	<u>50 364</u>	<u>37 825</u>
	<u>33 883</u>	<u>156 262</u>	<u>51 364</u>	<u>143 405</u>

^{bb/} Consisting of:

Unspent allocations	100 000	300 000	27 112	15 267
Unencumbered funds	-	-	23 252	22 558
Allocations in excess of resources	<u>(66 117)</u>	<u>(143 738)</u>	<u>-</u>	<u>-</u>
	<u>33 883</u>	<u>156 262</u>	<u>50 364</u>	<u>37 825</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Trust Fund Agreement between UNDP/IMPACT and the Malaysian Organizing Committee for Sportaid '88		Global Consultation on Water Supply and Sanitation for the 1990s	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	398 000	202 000	148 121	244 564
Interest income	<u>12 880</u>	<u>7 898</u>	<u>3 218</u>	<u>1 266</u>
	410 880	209 898	148 339	245 830
Less: Expenditure				
Project costs	50 931	65 381	116 465	198 633
Programme support costs:				
Executing agencies	-	-	24 458	5 932
UNDP	<u>516</u>	<u>654</u>	<u>1 165</u>	<u>1 986</u>
	51 447	66 035	142 088	210 551
Surplus income	<u>359 433</u>	<u>143 863</u>	<u>6 251</u>	<u>35 279</u>
ASSETS				
Operating funds provided to Governments for executing projects	20 664	8 887	-	-
Due from UNDP	<u>482 632</u>	<u>134 976</u>	<u>90 053</u>	<u>35 279</u>
	503 296	143 863	90 053	35 279
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	-	-	48 523	-
Unexpended resources				
Balance as at 1 January	143 863	-	35 279	-
Surplus income	<u>359 433</u>	<u>143 863</u>	<u>6 251</u>	<u>35 279</u>
Balance as at 31 December cc/	503 296	143 863	41 530	35 279
	<u>503 296</u>	<u>143 863</u>	<u>90 053</u>	<u>35 279</u>
cc/ Consisting of:				
Unspent allocations	85 687	136 619	2 832	34 013
Unencumbered funds	<u>417 609</u>	<u>7 244</u>	<u>38 698</u>	<u>1 266</u>
	503 296	143 863	41 530	35 279

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for the Republic of Maldives		UNDP/Switzerland Trust Fund for Namibia	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	40 070	524 745	-	17 016
Interest income	<u>18 895</u>	<u>-</u>	<u>1 204</u>	<u>-</u>
	<u>58 965</u>	<u>524 745</u>	<u>1 204</u>	<u>17 016</u>
Less: Expenditure				
Project costs	413 077	-	-	-
Programme support cost: UNDP	<u>4 181</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>422 258</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus income/(expenditure)	<u>(363 293)</u>	<u>524 745</u>	<u>1 204</u>	<u>17 016</u>
ASSETS				
Due from UNDP	<u>161 452</u>	<u>524 745</u>	<u>18 220</u>	<u>17 016</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	524 745	-	17 016	-
Surplus income/(expenditure)	<u>(363 293)</u>	<u>524 745</u>	<u>1 204</u>	<u>17 106</u>
Balance as at 31 December <u>dd/</u>	<u>161 452</u>	<u>524 745</u>	<u>18 220</u>	<u>17 016</u>
	<u>161 452</u>	<u>524 745</u>	<u>18 220</u>	<u>17 016</u>
dd/ Consisting of:				
Unspent allocations	3 013	-	14 332	-
Unencumbered funds	<u>158 439</u>	<u>524 745</u>	<u>3 888</u>	<u>17 016</u>
	<u>161 452</u>	<u>524 745</u>	<u>18 220</u>	<u>17 016</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP/JAIDO Trust Fund for Sea Island Cotton Pilot Production		UNDP Trust Fund for the Independent International Commission on Health Research for Developing Countries	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	76 584	300 635	324 350	130 000
Interest income	13 516	-	938	-
	<u>90 100</u>	<u>300 635</u>	<u>325 288</u>	<u>130 000</u>
Less: Expenditure				
Project costs	157 248	139 426	296 823	91 331
Programme support costs:				
Executing agencies	-	-	30 823	11 873
UNDP	1 573	1 396	7 763	-
	<u>158 821</u>	<u>140 820</u>	<u>335 409</u>	<u>103 204</u>
Surplus income/(expenditure)	<u>(68 721)</u>	<u>159 815</u>	<u>(10 121)</u>	<u>26 796</u>
ASSETS				
Due from UNDP	<u>91 094</u>	<u>159 815</u>	<u>16 675</u>	<u>26 796</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	159 815	-	26 796	-
Surplus income/(expenditure)	<u>(68 721)</u>	<u>159 815</u>	<u>(10 121)</u>	<u>26 796</u>
Balance as at 31 December <u>ee/</u>	<u>91 094</u>	<u>159 815</u>	<u>16 675</u>	<u>26 796</u>
	<u>91 094</u>	<u>159 815</u>	<u>16 675</u>	<u>26 796</u>
<u>ee/</u> Consisting of:				
Unspent allocations	77 578	159 815	1 403 670	190 596
Unencumbered funds	13 516	-	-	-
Allocations in excess of resources	<u>-</u>	<u>-</u>	<u>(1 386 995)</u>	<u>(163 800)</u>
	<u>91 094</u>	<u>159 815</u>	<u>16 675</u>	<u>26 796</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Trust Fund for the Interim Multilateral Fund under the Montreal Protocol		World Maritime University Trust Fund	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	25 338 528	1 261 800	153 558	39 664
Interest income	202 851	-	1 466	-
Miscellaneous income/(expenditure)	(1 804)	-	-	-
	<u>25 539 575</u>	<u>1 261 800</u>	<u>155 024</u>	<u>39 664</u>
Less: Expenditure				
Project costs	7 357 966	350 309	-	-
Programme support costs:				
Executing agencies	458 359	38 534	-	-
Administrative costs	93 763	-	-	-
	<u>7 910 088</u>	<u>388 843</u>	<u>-</u>	<u>-</u>
Surplus income	<u>17 629 487</u>	<u>872 957</u>	<u>155 024</u>	<u>39 664</u>
ASSETS				
Operating funds provided to Governments for executing projects	106 396	-	-	-
Due from UNDP	<u>21 477 452</u>	<u>934 080</u>	<u>194 688</u>	<u>39 664</u>
	<u>21 583 848</u>	<u>934 080</u>	<u>194 688</u>	<u>39 664</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to Governments for executing projects	4 466	-	-	-
Unliquidated obligations of executing agencies	<u>3 076 938</u>	<u>61 123</u>	<u>-</u>	<u>-</u>
	<u>3 081 404</u>	<u>61 123</u>	<u>-</u>	<u>-</u>
Unexpended resources				
Balance as at 1 January	872 957	-	39 664	-
Surplus income	<u>17 629 487</u>	<u>872 957</u>	<u>155 024</u>	<u>39 664</u>
Balance as at 31 December ^{ff/}	<u>18 502 444</u>	<u>872 957</u>	<u>194 688</u>	<u>39 664</u>
	<u>21 583 848</u>	<u>934 080</u>	<u>194 688</u>	<u>39 664</u>
^{ff/} Consisting of:				
Unspent allocations	7 264 138	371 507	75 000	-
Unencumbered funds	<u>11 238 306</u>	<u>501 450</u>	<u>119 688</u>	<u>39 664</u>
	<u>18 502 444</u>	<u>872 957</u>	<u>194 688</u>	<u>39 664</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Disaster Management Training Programme 88/		Government of Germany Trust Fund for UNDP/World Bank Energy Sector Management Assistance Programme	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	715 765	230 030	422 060
Interest income	<u>26 069</u>	-	<u>8 389</u>	-
	<u>26 069</u>	<u>715 765</u>	<u>238 419</u>	<u>422 060</u>
Less: Expenditure				
Project costs	586 070	-	487 850	-
Programme support costs:				
Executing agencies	109 758	-	50 705	-
UNDP	<u>11 721</u>	-	<u>9 757</u>	-
	<u>707 549</u>	-	<u>548 312</u>	-
Surplus income/(expenditure)	<u>(681 480)</u>	<u>715 765</u>	<u>(309 893)</u>	<u>422 060</u>
ASSETS				
Operating funds provided to executing agencies	-	-	21 445	-
Due from UNDP	<u>86 925</u>	<u>715 765</u>	<u>90 722</u>	<u>422 060</u>
	<u>86 925</u>	<u>715 765</u>	<u>112 167</u>	<u>422 060</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	<u>52 640</u>	-	-	-
Unexpended resources				
Balance as at 1 January	715 765	-	422 060	-
Surplus income/(expenditure)	<u>(681 480)</u>	<u>715 765</u>	<u>(309 893)</u>	<u>422 060</u>
Balance as at 31 December <u>hh/</u>	<u>34 285</u>	<u>715 765</u>	<u>112 167</u>	<u>422 060</u>
	<u>86 925</u>	<u>715 765</u>	<u>112 167</u>	<u>422 060</u>

88/ Contributions due from Governments as at 31 December 1993 total \$43,767 (1991: \$46,776).
An analysis of this amount is provided in note 31.

hh/ Consisting of:

Unspent allocations	590 003	-	101 995	-
Unencumbered funds	-	715 765	10 172	422 060
Allocations in excess of resources	<u>(555 718)</u>	-	-	-
	<u>34 285</u>	<u>715 765</u>	<u>112 167</u>	<u>422 060</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

Elaboration of Methods
and Techniques of
Operationalizing the
Human Development Concept *ii/*

Family Health
International
Trust Fund *jj/*

1992-1993 1990-1991 1992-1993 1990-1991

INCOME AND EXPENDITURE

Voluntary contributions from Governments and other contributors	-	293 028	50 000	-
Interest income	9 414	-	1 485	-
	<u>9 414</u>	<u>293 028</u>	<u>51 485</u>	<u>-</u>
Less: Expenditure				
Project costs	300 338	-	45 045	-
Programme support costs:				
Executing agencies	33 037	-	4 955	-
UNDP	3 004	-	450	-
	<u>336 379</u>	<u>-</u>	<u>50 450</u>	<u>-</u>
Surplus income/(expenditure)	<u>(326 965)</u>	<u>293 028</u>	<u>1 035</u>	<u>-</u>

ASSETS

Due from UNDP	60 008	293 028	1 035	-
	<u>60 008</u>	<u>293 028</u>	<u>1 035</u>	<u>-</u>

LIABILITIES AND UNEXPENDED RESOURCES

Unliquidated obligations of executing agencies	93 945	-	-	-
Unexpended resources				
Balance as at 1 January	293 028	-	-	-
Surplus income/(expenditure)	(326 965)	293 028	1 035	-
	<u>(33 937)</u>	<u>293 028</u>	<u>1 035</u>	<u>-</u>
Balance as at 31 December <i>kk/</i>	60 008	293 028	1 035	-
	<u>60 008</u>	<u>293 028</u>	<u>1 035</u>	<u>-</u>

ii/ Contributions due from Governments as at 31 December 1993 total \$17,635 (1991: \$18,847).
An analysis of this amount is provided in note 31.

jj/ This trust fund started its operations in 1992.

kk/ Consisting of:

Unencumbered funds	-	293 028	1 035	-
Expenditure in excess of resources	(33 937)	-	-	-
	<u>(33 937)</u>	<u>293 028</u>	<u>1 035</u>	<u>-</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Rehabilitation Assistance to Anhui Province following Flood Disaster <u>ll/</u>		Trust Fund for the FMLN Relocation Points in El Salvador <u>ll/</u>	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	1 697 497	-	5 909 424	-
Interest income	6 546	-	6 468	-
Miscellaneous income/(expenditure)	-	-	(21 877)	-
	<u>1 704 043</u>	<u>-</u>	<u>5 894 015</u>	<u>-</u>
Less: Expenditure				
Project costs	1 697 497	-	5 131 299	-
Programme support costs:				
UNDP	-	-	51 313	-
	<u>1 697 497</u>	<u>-</u>	<u>5 182 612</u>	<u>-</u>
Surplus income	<u>6 546</u>	<u>-</u>	<u>711 403</u>	<u>-</u>
ASSETS				
Operating funds provided to executing agencies	-	-	500 000	-
Due from UNDP	<u>6 546</u>	<u>-</u>	<u>265 024</u>	<u>-</u>
	<u>6 546</u>	<u>-</u>	<u>765 024</u>	<u>-</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to Governments for executing projects	-	-	53 621	-
Unexpended resources				
Balance as at 1 January	-	-	-	-
Surplus income	<u>6 546</u>	<u>-</u>	<u>711 403</u>	<u>-</u>
Balance as at 31 December <u>mm/</u>	<u>6 546</u>	<u>-</u>	<u>711 403</u>	<u>-</u>
	<u>6 546</u>	<u>-</u>	<u>765 024</u>	<u>-</u>

ll/ This trust fund started its operations in 1992.

mm/ Consisting of:

Unspent allocations	-	-	1 283 017	-
Unencumbered funds	6 546	-	-	-
Allocations in excess of resources	-	-	(571 614)	-
	<u>6 546</u>	<u>-</u>	<u>711 403</u>	<u>-</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Trust Fund to Mainstream Human Development into Operational Activities <u>nn/</u>		International Development Research Centre Trust Fund for Information Management Training Series <u>nn/</u> <u>oo/</u>	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	1 948 387	-	164 458	-
Interest income	<u>10 299</u>	<u>-</u>	<u>-</u>	<u>-</u>
	1 958 686	-	164 458	-
Less: Expenditure				
Project costs	457 954	-	155 397	-
Programme support costs:				
Executing agencies	50 375	-	17 093	-
UNDP	<u>4 580</u>	<u>-</u>	<u>3 108</u>	<u>-</u>
	512 909	-	175 598	-
Surplus income/(expenditure)	<u>1 445 777</u>	<u>-</u>	<u>(11 140)</u>	<u>-</u>
ASSETS				
Due from UNDP	<u>1 562 812</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	117 035	-	-	-
Due to UNDP	<u>-</u>	<u>-</u>	<u>11 140</u>	<u>-</u>
	117 035	-	11 140	-
Unexpended resources				
Balance as at 1 January	-	-	-	-
Surplus income/(expenditure)	<u>1 445 777</u>	<u>-</u>	<u>(11 140)</u>	<u>-</u>
Balance as at 31 December <u>pp/</u>	<u>1 445 777</u>	<u>-</u>	<u>(11 140)</u>	<u>-</u>
	1 562 812	-	-	-

nn/ This trust fund started its operations in 1992.

oo/ Contributions due from Governments as at 31 December 1993 total \$11,696.
An analysis of this amount is provided in note 31.

pp/ Consisting of:

Unspent allocations	451 569	-	17 692	-
Unencumbered funds	994 208	-	-	-
Allocations in excess of resources	-	-	(17 692)	-
Expenditure in excess of resources	<u>-</u>	<u>-</u>	<u>(11 140)</u>	<u>-</u>
	1 445 777	-	(11 140)	-

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	UNDP Trust Fund for the Mozambique Demobilization Programme <u>gg/</u>		UNDP Trust Fund for the Baltic Republics <u>rr/</u>	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	7 153 457	-	584 961	-
Less: Expenditure				
Project costs	1 522 095	-	-	-
Programme support costs: UNDP	66 000	-	-	-
	1 588 095	-	-	-
Surplus income	5 565 362	-	584 961	-
ASSETS				
Due from UNDP	5 565 362	-	584 961	-
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources				
Balance as at 1 January	-	-	-	-
Surplus income	5 565 362	-	584 961	-
Balance as at 31 December <u>ss/</u>	5 565 362	-	584 961	-
	5 565 362	-	584 961	-

gg/ This trust fund started its operations in 1992.

rr/ This trust fund started its operations in 1993.

ss/ Consisting of:

Unspent allocations	677 905	-	-	-
Unencumbered funds	4 887 457	-	584 961	-
	5 565 362	-	584 961	-

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Trust Fund for Democratization Support and the Electoral Process in Guinea-Bissau <u>tt/</u> <u>uu/</u>		Trust Fund in Support of Peace-building Activities in El Salvador <u>tt/</u>	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	40 074	-	4 542 759	-
Less: Expenditure				
Project costs	19 103	-	454 415	-
Programme support costs:				
Executing agencies	1 809	-	-	-
UNDP	191	-	4 544	-
	<u>21 103</u>	<u>-</u>	<u>458 959</u>	<u>-</u>
Surplus income	18 971	-	4 083 800	-
	<u>18 971</u>	<u>-</u>	<u>4 083 800</u>	<u>-</u>
ASSETS				
Operating funds provided to Governments for executing projects	-	-	511	-
Due from UNDP	<u>39 883</u>	<u>-</u>	<u>4 083 289</u>	<u>-</u>
	<u>39 883</u>	<u>-</u>	<u>4 083 800</u>	<u>-</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Operating funds payable to executing agencies	7 189	-	-	-
Unliquidated obligations of executing agencies	<u>13 723</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>20 912</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unexpended resources				
Balance as at 1 January	-	-	-	-
Surplus income	<u>18 971</u>	<u>-</u>	<u>4 083 800</u>	<u>-</u>
Balance as at 31 December <u>vv/</u>	<u>18 971</u>	<u>-</u>	<u>4 083 800</u>	<u>-</u>
	<u>39 883</u>	<u>-</u>	<u>4 083 800</u>	<u>-</u>

tt/ This trust fund started its operations in 1993.

uu/ Contributions due from Governments as at 31 December 1993 total \$38,462.
An analysis of this amount is provided in note 31.

vv/ Consisting of:

Unspent allocations	61 386	-	2 292 115	-
Unencumbered funds	-	-	1 791 685	-
Allocations in excess of resources	<u>(42 415) <u>ww/</u></u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>18 971</u>	<u>-</u>	<u>4 083 800</u>	<u>-</u>

ww/ Allocations in excess of resources were issued on the basis of contributions receivable.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

	Trust Fund for UNDP History Project <u>xx/</u> <u>yy/</u>		UNDP/Denmark Trust Fund for Electoral Assistance Project in Burundi <u>xx/</u>	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	45 977	-	150 000	-
Less: Expenditure	-	-	-	-
Surplus income	45 977	-	150 000	-
ASSETS				
Due from UNDP	45 977	-	150 000	-
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources	-	-	-	-
Balance as at 1 January	-	-	-	-
Surplus income	45 977	-	150 000	-
Balance as at 31 December <u>zz/</u>	45 977	-	150 000	-
	45 977	-	150 000	-
 Unencumbered funds				
	45 977	-	150 000	-

xx/ This trust fund started its operations in 1993.

yy/ Contributions due from Governments as at 31 December 1993 total \$26,042.
An analysis of this amount is provided in note 31.

zz/ Consisting of:

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (concluded)

	UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique <u>aaa/</u>		UNDP Trust Fund for Capacity Building in De-mining Operations for Cambodia <u>aaa/</u>	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	676 361	-	2 432 783	-
Less: Expenditure	-	-	-	-
Surplus income	676 361	-	2 432 783	-
ASSETS				
Due from UNDP	676 361	-	2 432 783	-
LIABILITIES AND UNEXPENDED RESOURCES				
Unexpended resources	-	-	-	-
Balance as at 1 January	-	-	-	-
Surplus income	676 361	-	2 432 783	-
Balance as at 31 December <u>bbb/</u>	676 361	-	2 432 783	-
	676 361	-	2 432 783	-

aaa/ This trust fund started its operations in 1993.

bbb/ Consisting of:

Unencumbered funds	676 361	-	2 432 783	-
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The accompanying notes are an integral part of the financial statements.

STATEMENT XXVI

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Other trust funds administered by UNDP

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

	United Nations Trust Fund for Operational Programme in Lesotho a/		UNDP Development Study Programme	
	1992-1993	1990-1991	1992-1993	1990-1991
INCOME AND EXPENDITURE				
Voluntary contributions from Governments and other contributors	-	-	278 297	240 000
Interest income	23 427	21 906	12 336	69 659
Miscellaneous income/(expenditure)	<u>12 071</u>	<u>22 439</u>	<u>(23)</u>	-
	<u>35 498</u>	<u>44 345</u>	<u>290 610</u>	<u>309 659</u>
Less: Expenditure				
Project costs	-	2 022	394 422	283 401
Programme support costs:				
Executing agencies	<u>-</u>	<u>263</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>2 285</u>	<u>394 422</u>	<u>283 401</u>
Surplus income/(expenditure)	<u>35 498</u>	<u>42 060</u>	<u>(103 812)</u>	<u>26 258</u>
ASSETS				
Investments (schedule 10)	-	54 717	-	-
Operating funds provided to executing agencies	8 739	179 055	-	-
Non-convertible currencies pending United States dollar credit from UNDP	-	-	50 000	50 000
Due from UNDP	<u>472 021</u>	<u>213 147</u>	<u>320 269</u>	<u>424 601</u>
	<u>480 760</u>	<u>446 919</u>	<u>370 269</u>	<u>474 601</u>
LIABILITIES AND UNEXPENDED RESOURCES				
Unliquidated obligations of executing agencies	-	1 457	3 200	3 720
Unexpended resources				
Balance as at 1 January	445 262	403 202	470 881	444 623
Surplus income/(expenditure)	<u>35 498</u>	<u>42 060</u>	<u>(103 812)</u>	<u>26 258</u>
Balance as at 31 December b/	<u>480 760</u>	<u>445 262</u>	<u>367 069</u>	<u>470 881</u>
	<u>480 760</u>	<u>446 919</u>	<u>370 269</u>	<u>474 601</u>

a/ Contributions due from Governments as at 31 December 1993 total \$118,343 (1991: \$169,492).
An analysis of this amount is provided in note 31.

b/ Consisting of:

Unspent allocations	5 383	-	366 977	247 839
Unencumbered funds	<u>475 377</u>	<u>445 262</u>	<u>52</u>	<u>223 042</u>
	<u>480 760</u>	<u>445 262</u>	<u>367 069</u>	<u>470 881</u>

The accompanying notes are an integral part of the financial statements.

TRUST FUNDS ADMINISTERED BY UNCP

Statement of income and expenditure of sub trust funds established by the Administrator

Status of funds for the biennium ending 31 December 1993

(United States dollars)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure			Resources transferred ^{2/}	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds ^{1/}				
1. UNITED NATIONS CAPITAL DEVELOPMENT FUND										
Donor: Belgium										
Irrigated Agriculture in Farfar Plate	352 189		37 366	182 183	5 100			281 872		
Donor: Belgium										
Trust Fund for Belgian Experts	13 374			13 374						
Donor: Germany										
Development of Rice Farming Potential in Basse Valley		124 224		293 149	7 000			(133 933)		2 514 820
Donor: Italy										
Rehabilitation of Rural Water Reservoirs	3 918		358	4 276						
Donor: Norway										
Production of School Furniture	63 148		7 265	28 299	1 065			41 061	5 730	
Donor: Norway										
Environmental Management Guidelines		120 000	1 681	120 000				1 681		
Donor: Switzerland										
Suspension Bridges (Phase I)	107 536	235 000	9 778	6 828				445 486	27 999	
Donor: Switzerland										
Suspension Bridges (Phase III)	513 500		58 943	160 090	568			411 795	1 360 515	728 270
Donor: The Netherlands										
Grassland Deep Tillage Irrigation Project		3 046 150	11 816	3 680 415	165 723			2 028	3 836 863	3 685 901
	1 093 677	4 425 374	128 407	4 375 814	179 644			1 049 980	5 231 107	6 969 791
Statement V										

STATEMENT XVIII (continued)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure			Resources transferred #	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Program support costs	Transfers/ refunds #				
2 UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION										
Donor: Japan										
Mineral Exploration in SAGC Region	50 005		6 538					54 563	50 005	
Donor: Norway										
UNEP/WHO Environmental Protection Guidelines	17 028		3 799	7 293				11 534	9 735	
	67 033		8 357	7 293				66 097	59 740	
								(Statement VI)		
3 UNITED NATIONS TRUST FUND FOR SUDANO-SAHELIAN ACTIVITIES										
Donor: Denmark										
Wind Energy Utilization for Electrification	471 768						(471 768)			
Donor: Italy										
Construction Improvement and Maintenance of Secondary Roads - Brigade II in Niger	16 765		1 474					18 239		
Donor: Italy										
Construction Improvement and Maintenance of Secondary Roads - Brigade II in Senegal	149 828		13 307					163 135		
Donor: Italy										
Strengthening of the "Development of Agricultural Statistics" Project to Include Livestock Activities	525		33					558		
Donor: Sweden										
Management of Grazing Resources around Permanent Water Supplies	100 952		9 545				(117 617)			

STATEMENT XVIII (continued)

Trust Fund	Balance at 1 January 1992	Income		Expenditure			Resources transferred ²	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds ²				
Donor: Sweden Creation of Family Wood Lots in the Region of Koudougou	19 293	-	1 725	-	-	-	(21 018)	-	-	-
Donor: Sweden Creation of Family Wood Lots in the Provinces of Boukimbé and Sanghaie	25 734	-	5 402	-	-	21 213	-	9 923	-	-
Donor: Sweden Promotion and Production of Improved Cooking Stoves (Phase II)	518 168	-	45 445	-	-	115 893	-	447 720	-	-
Donor: Sweden Improvement of Cooking Stoves in the Sahel	5 194	-	454	-	-	-	(5 648)	-	-	-
Donor: Sweden Reforestation in South-east Niger	63 559	-	4 600	-	-	-	(68 159)	-	-	-
Donor: Sweden Pilot Project in Agro forestry Development in Benin	287 364	-	26 928	-	-	89 016	-	275 208	-	-
Donor: Sweden Integrated Village Afforestation in Louga and Bahr el-Sanghaie	271 120	-	16 744	-	-	-	(287 864)	-	-	-
Donor: Sweden Support to the Construction and Diffusion of Improved Wood Stoves	44 208	708 106	-	977 250	48 863	(193 653)	-	(72)	-	75 259
Donor: Sweden Village and Family Woodlots in the Province of Sanghaie and Boukimbé, Burkina Faso	3 437	1 772 606	-	2 070 660	103 533	(258 599)	-	(139 561)	1 175 644	1 460 771
Donor: Sweden Integrated Afforestation Project in the Louga, Bahr el-Sanghaie and Boukimbé Regions of Senegal	(465 346)	1 913 520	-	1 460 532	97 996	(231 993)	-	101 639	1 448 338	1 275 405

STATEMENT XXVIII (continued)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure		Resources transferred $\pounds$	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds $\pounds$			
Donor: Sweden Land Use Management and Agro- Forestry Development in Dasso Niger	137 887	965 020	806	1 039 865	68 174	(215)	(4 111)	1 956 518	207 72
Donor: Sweden Natural Resource Management (Preparatory Phase), Congo and Kenedougou Provinces, Burkina Faso	61 215	7 481	2 525	541	70	2 525	68 085		37 774
	1 718 791	5 446 727	129 000	5 568 848	318 636	(455 813)	890 773	4 580 500	3 056 996
						(972 074)	(statement VII)		
4. UNITED NATIONS VOLUNTEERS PROGRAMME									
Donor: Canada Canada/Libarian Emergency Relief Trust Fund		42 546		39 949	2 597				
Donor: Canada UNV Specialists to Support UNHCR Humanitarian Assistance Activities		38 868					38 868	38 868	
Donor: France Government of France Support for the Development of Volontarian	1 169 686		92 456	455 119	15 575		791 448	623 017	
Donor: Germany Africa Domestic Development Services Programme	1 393 331	1 745 447	64 461	2 068 609	266 906		875 724	752 772	
Donor: Japan Multi-Sectoral Specialist Support in the South Pacific	214 845		27 751	125 950	5 002		111 744	9 777	
Donor: Japan Contribution from Japan for UNH Assistance to UNHCR Refugee Programme in Hong Kong	18 305			9 909	396				

Trust Fund	Balance as at 1 January 1992	Income		Expenditure		Resources transferred ^{2/}	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments in the context of prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds ^{2/}			
Donor: Japan									
Contribution from Japan to UNHCR Consultative Meeting in Tokyo	634	-	83	717	-	-	-	-	-
Donor: Japan									
UNHCR Technical Support to the Regional Humanitarian Plan of Action relating to the Crisis between Iraq/Kuwait	-	-	10 746	10 746	-	-	-	-	-
Donor: Japan									
UNHCR Technical Support to Refugee Relief and Humanitarian Assistance in South-East Asia	417 096	-	31 065	368 196	14 728	-	65 258	34 173	-
Donor: Japan									
UNHCR Technical Support to the Regional Humanitarian Assistance relating to the Crisis originating in Iraq/Kuwait	133 553	-	6 811	134 965	5 399	-	-	-	-
Donor: Japan									
UNHCR Multi-sectoral Technical Support for Development and Humanitarian Assistance	200 000	-	10 746	112 567	4 607	-	93 572	82 826	-
Donor: Japan									
UNHCR Multi-sectoral Technical Support for Development and Humanitarian Assistance (Phase II)	-	200 000	6 678	124 616	8 160	-	73 962	67 264	-
Donor: Japan									
UNHCR Multi-sectoral Technical Support for Development and Humanitarian Assistance (Phase III)	-	200 000	-	-	-	-	200 000	200 000	-
Donor: Japan									
Technical Support to UNHCR and other UN Agencies in Humanitarian Assistance for Cambodia	-	250 000	4 180	129 408	8 412	-	116 360	112 180	-

STATEMENT XVII (continued)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure		Resources transferred #	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds #			
Donor: Japan UN Technical Support to Relief and Humanitarian Assistance to South-East Asia and other areas - Phase I	-	556 174	11 759	459 647	29 611	-	78 675	66 916	-
Donor: Japan UN Preparatory Assistance to UNTAC for elections in Cambodia	-	200 000	7 080	66 348	4 236	-	136 504	129 416	-
Donor: Japan UN 100-Day Action Programme for Accelerated Humanitarian Assistance for Somalia	-	1 900 000	1 432	564 758	36 709	-	1 299 965	1 298 533	-
Donor: Japan UN Technical Support to Relief and Humanitarian Assistance in South-East Asia and other areas - Phase II	-	600 000	1 333	247 046	15 891	-	338 436	337 103	-
Donor: Japan Assistance to Development of Basic Education in Northwestern Provinces, Cambodia	-	250 000	-	8 460	464	-	241 076	241 076	-
Donor: Norway Somalia Appeal	-	150 000	-	6 071	395	-	143 534	143 534	-
Donor: Republic of Korea Republic of Korea Trust Fund for UNHCR and Training	518 466	-	16 125	193 090	12 329	-	329 104	150 026	-
Donor: Sweden Humanitarian Assistance in the Gulf Region	240 561	176 103	8 891	313 923	37 670	-	32 962	24 071	-
Donor: Sweden UN Specialists for Humanitarian Relief in the Horn of Africa	-	174 216	1 542	99 556	6 053	-	70 189	68 607	-

STATEMENT XVIII (continued)

Trust Fund	Balance at 1 January 1992	Income		Expenditure		Balance at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/refunds		
Donor: Sweden UNW Support to UNICEF Programmes in the Latin America Region		209 997		197 180	12 817			
Donor: Sweden Programme Drought Emergency Southern Africa (DESA)		189 743	2 026	70 199	4 502		115 042	
Donor: Switzerland Domestic Development Services (DDS) Regional Programme in Asia		180 000	1 077	69 953	12 048		99 946	
Donor: The Netherlands Netherlands Facility for UNW Support from Central Europe to Developing Countries	405 187	1 146 032	18 687	641 821	41 719		866 286	667 678
Donor: The Netherlands Netherlands Support for UNW Domestic Development Services	60 652	304 801	3 899	186 004	12 342		169 406	166 307
Donor: The Netherlands Inter-Agency Humanitarian Programme for Iraq/Kuwait		247 822	2 579	70 745	4 598		174 258	171 679
Donor: The Netherlands Deployment of UNW Specialists to Support UN Humanitarian Assistance Activities in Somalia		563 047		176 665	11 483		374 899	
Donor: The Netherlands West-East South Programme Lecturers at the Eduardo Mondlane University		316 463		219 497	14 267		82 699	
Donor: The Netherlands Special Emergency Programme for the Horn of Africa (SEPA) Appeal - 1993		259 080		17 432	1 133		240 523	240 523

STATEMENT XVIII (continued)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure		Resources transferred ^{a/}	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds ^{b/}			
Donor: United Kingdom Preparatory Assistance for the Formulation of Urban Environmental Pilot Project	(311)	27 732	-	1 120	-	-	26 301	26 301	-
Donor: United Kingdom United Kingdom/Liberal Emergency Relief Trust Fund	127 155	172 191	4 788	213 455	13 874	-	76 805	72 017	-
Donor: United Kingdom Low Income Urban Community Participatory Priority Environmental Care Project	-	22 100	-	30 166	1 961	-	(10 027)	-	-
Donor: United Nations Humanitarian Economic Assistance Programme to Afghanistan	152 454	1 300 000	30 351	1 183 032	141 951	-	157 822	875 259	840 000
Donor: United Nations UNF Support to UN Inter- Agency Humanitarian Programme in Iraq	-	275 000	-	190 528	12 384	-	72 086	72 086	-
Donor: USA UN Volunteers for Service with UNRWA and IFP	-	590 000	-	411 367	25 408	-	153 225	153 225	-
Donor: USA Inter-Agency Humanitarian Programme for Iraq	-	328 000	-	287 258	18 671	-	22 071	22 071	-
	5 051 814	12 563 770	365 734	9 496 279	604 208	-	7 680 831	7 718 856	840 000

(Statement VIII)

STATEMENT XVIII (continued)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure			Resources transferred #/	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds #/				
5. UNITED NATIONS FUND FOR SCIENCE AND TECHNOLOGY FOR DEVELOPMENT										
Donor: France										
Strengthening Management of Technology Capacity at the School of Management Asian Institute of Technology (AIT)	195 169	-	17 436	151 067	-	-	-	61 538	29 534	-
Donor: Germany										
Policy Dialogues for Strengthening Endogenous Capacities in Science and Technology	240 117	1 232 106	58 084	1 181 329	150 933	-	-	198 045	122 469	22 748
Donor: Germany										
International Conference Series on Environmentally Sound Coal Technologies for China and India	301 252	-	5 456	205 050	33 484	-	-	68 174	62 718	-
Donor: Italy										
Regional Non-destructive Testing Network for Latin America and the Caribbean - Phase II	31 529	-	2 197	22 533	1 802	-	-	9 391	-	-
Donor: Italy										
Development of National Scientific and Technological Capacity in Natural Resources Remote Sensing through Aerial and Satellite Photo Interpretation	37 296	-	3 318	-	-	-	-	40 614	-	-
Donor: Italy										
Reconnaissance and Exploration for Geothermal Resources	24 868	-	4 101	19 636	-	-	-	9 333	5 232	-
Donor: Italy										
Application of Technologies Appropriate for Rural Areas - Phase II	22 452	-	3 176	(538)	-	-	-	26 166	3 735	50 829
Donor: Italy										
Technological Information Pilot System (Demonstration Phase)	1 653	-	60	-	-	-	-	(1 713)	-	-

STATEMENT XVII (continued)

Trust Fund	Balance as at 1 January 1982	Income		Expenditure		Resources transferred \$	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds \$			
Donor: Italy Establishment of the Beijing National Food Technology and Quality Control Research and Development Centre	473 158	-	40 736	274 149	(4 285)	-	244 022	130 079	-
Donor: Italy Technological Information Pilot System (TIPS) Semi-Commercial- ization (Bridging) Phase	218 299	-	6 161	214 182	-	(2 278)	-	-	-
Donor: Norway Computer-based Management Training Programme	17 412	-	905	-	-	(18 317)	-	-	-
Donor: Norway Strengthening the Computer Education and Computing Capability at the Asian Institute of Technology (AIT)	192 252	-	20 526	259 650	23 176	(18 317)	(51 731)	(70 050)	-
	1 747 449	1 232 106	162 156	2 327 058	205 110	(18 317)	605 552	283 717	73 577
							(statement IX)		
6. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN									
Donor: Australia Incorporation of Women in Mainstream Development Planning	338 432	59 829	25 022	374 706	48 677	-	-	-	-
Donor: Canada CIDA/UNIFEM Trust Fund for Women in Appropriate Food Cycle Technologies in Africa	99 832	-	7 566	98 891	7 453	-	254	-	-
Donor: Denmark Credit Scheme for Productive Activities of Women in the United Republic of Tanzania	2 660 837	-	228 843	1 375 159	132 817	431 041	950 463	2 421 742	1 601 316
Donor: Japan Contribution to the Centre for Social Development and Humanitarian Affairs	131 921	-	13 484	-	-	-	145 405	24 290	-

STATEMENT XVIII (continued)

Trust Fund	Balance as at 1 January 1992	Income		Expenditure			Resources transferred #/ (statement XI)	Balance as at 31 December 1993	Unspent allocations	Contributions pledged by Governments for the current and prior years
		Contributions received	Interest income	Project costs	Programme support costs	Transfers/ refunds #/ (statement XI)				
Donor: Non-governmental organization										
Women's Appropriate Food Technology Project in the United Republic of Tanzania	(12 231)		1 738	(10 493)						
	3 217 991	59 929	276 453	1 830 263	188 947	431 041		1 096 122	2 446 032	1 601 316
(statement XI)										
7. UNDP TRUST FUND TO COMBAT POVERTY AND HUNGER IN AFRICA										
Donor: Italy										
Ethiopia-Italy Programme of Rehabilitation and Development (EIRPD)	644 405		57 492	76 357	9 163			616 377	34 862	
(statement XVIII)										
8. UNDP TRUST FUND FOR HUMANITARIAN AND REHABILITATION ASSISTANCE FOR CAMBODIA										
Donor: Sweden										
UNDP/Sweden for the Rehabilitation of Infra structure in Cambodia		4 960 727	84 158	4 492 554	533 926			18 405	13 445	
Donor: The Netherlands										
UNDP/Netherlands Trust Fund for Cambodia		113 089		95 559	9 556			8 774	9 729	
Donor: USA										
UNDP/USA Trust Fund for Cambodia		2 000 000	334	1 031 981	110 635			857 718	849 684	
		7 074 616	84 492	5 620 094	654 117			884 897	872 858	
(statement XXIII)										

a/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.

The accompanying notes are an integral part of the financial statements.

SCHEDULE I

UNDP : UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Miscellaneous income and expenditure
for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

<u>1990-1991</u>			<u>1992-1993</u>
182 458 961	Income from investments		94 083 136
335 534	Interest on construction loans		625 313
629 375	Miscellaneous expenditure from accounts of executing agencies (net)		(2 891 168)
(16 732 003)	Interest on cost-sharing contributions transferred to extrabudgetary resources	(note 6)	(9 296 761)
(5 618 046)	Transfer of interest earned in prior years to: Trust Fund contributions		(5 356 528)
(9 727 722)	Advances for management service agreements		(5 304 559)
5 677 508	Net adjustments on revaluation of currencies and gains/losses on exchange	(note 1(d))	(52 144 997)
6 364 756	Savings in liquidating obligations of prior biennium		3 991 090
(976 096)	Miscellaneous write-offs		(154 941)
(865 333)	Expert hiatus financing, extended sick leave costs and compensation payments	(note 2)	(779 974)
-	Additional programme support cost reimbursement/recovery		(655 581)
32 078	Donations		10 550
<u>1 171 689</u>	Other		<u>2 261 554</u>
<u>162 750 701</u>	Total	(statement 1)	<u>24 387 134</u>

SCHEDULE 2

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT
Programme expenditure for the biennium ended 31 December 1993
(United States dollars)

Agency	Country	Indicative Planning Figures			Total	Indicative planning figure add-on funds	Indicative planning subtotal	Special Programme Resources	Special Industrial Services	Special Measures Fund for the Least Developed Countries	Cash counterpart	Total g/
		Regional	Inter-Regional	Global								
UNITED NATIONS	133 612 156	3 192 817	905 672	-	137 710 645	-	-	5 198 511	-	1 204 186	3 693 923	147 807 267
UNIDO	68 085 699	3 113 435	-	-	91 198 934	-	-	1 370 135	-	317 794	682 680	98 407 701
FAO	202 185 115	17 126 158	1 258 274	376 857	220 946 404	-	-	15 770	4 838 168	(5 188)	508 541	221 525 527
UNESCO	31 744 599	4 426 336	744 331	-	36 915 266	-	-	73 730	-	(39 444)	28 107	36 917 659
ILO	107 079 840	5 290 301	404 649	-	112 782 790	-	-	1 399 917	-	1 003 641	78 031	115 264 379
ECA	-	13 271 355	-	-	13 271 355	-	-	480 941	-	-	-	13 752 296
ECE	-	179 993	-	-	179 993	-	-	-	-	-	-	179 993
ELCAC	-	1 745 612	-	-	1 745 612	-	-	-	-	-	-	1 745 612
ESCAP	-	5 927 965	-	-	5 927 965	-	-	(217 995)	-	-	-	5 709 970
ESCAP	26 769	298 646	-	-	298 646	-	-	-	-	-	-	298 646
UNICAD	8 682 547	4 653 063	3 835 046	-	17 170 656	-	-	1 517 568	-	156 699	9 988	18 854 911
UNICHS	42 253 630	846 134	3 221 150	-	46 320 914	-	-	1 012 455	-	(1 500 560)	554 174	46 386 983
UNICHS	39 935 771	2 055 503	748 775	-	42 740 049	-	-	426 301	-	7 246 333	36 450 633	50 412 663
ICAO	13 893 857	2 027 594	2 624 326	16 880 569	35 426 346	-	-	991 973	-	30 430	1 884	36 450 633
WORLD BANK	52 533 869	13 365 254	19 298 913	19 620 592	104 818 628	82 156	-	3 757 445	-	548 049	1 095 085	110 301 363
IFC	243 939	16 265 292	379 864	-	16 889 095	-	-	-	-	-	-	16 889 095
UPU	3 578 479	133 024	-	-	3 711 503	-	-	-	-	-	-	3 711 503
ITU	16 580 700	4 472 078	-	-	21 052 778	-	-	23 526	-	49 416	2 513	21 128 233
IMO	17 569 826	1 623 147	111 716	-	19 304 689	-	-	-	-	-	31 716	19 336 405
MIPO	4 143 950	1 155 952	660 000	-	6 159 902	-	-	49 535	-	-	-	6 209 437
IAEA	1 784 517	729 634	113 623	-	2 627 574	-	-	-	-	-	557	2 628 131
ITC	353 855	3 162 959	-	-	1 516 814	-	-	-	-	-	3 878	1 520 692
WTO	9 924 919	3 393 512	504 065	-	13 824 496	-	-	502 485	-	155 639	-	13 980 135
WTO	3 513 237	159 278	-	-	3 672 515	-	-	-	-	-	-	4 125 094
ATOB	12 132 820	433 461	-	-	433 461	-	-	-	-	-	-	433 461
ASOB	102 728	166 633	-	-	12 235 548	-	-	-	-	154 513	-	12 390 161
INF	8 373 352	1 155 970	1 369 208	-	9 909 193	-	-	-	-	-	-	9 909 193
AFESD	-	-	-	-	-	-	-	-	-	-	-	-
EBRD	-	1 248 060	-	-	248 060	-	-	-	-	-	-	1 155 970
UNV	28 901 559	1 827 570	-	-	30 729 129	-	-	198 448	-	32 216	7 733 028	31 109 970
GOVERNMENTS	599 251 817	13 484 697	-	-	612 736 514	5 778 677	607 141	19 791 693	-	3 131 538	-	649 778 611
OPS	164 844 711	27 461 825	11 288 253	11 796 176	215 390 965	1 667 062	-	116 204 234	-	2 772 831	3 186 201	339 221 295
UNDP-Other	204 560	1 204 626	-	-	1 409 186	-	-	4 041 311	-	302 769	-	5 753 222
Total (inclusive of cost-sharing)	1 591 439 693	152 728 612	47 667 865	48 674 194	1 840 510 364	7 527 895	607 141	157 186 578	4 838 168	8 314 551	24 856 639	2 043 841 516
Charged to:												
Source of funds as per column heading	1 130 005 959	131 627 325	26 262 473	47 280 352	1 335 176 109	6 651 903	607 141	96 984 648	4 838 168	8 240 418	24 856 639	1 477 355 026
Cost-sharing	461 433 734	21 101 287	21 405 392	1 393 842	505 334 255	875 992	-	60 201 930	-	74 133	-	566 486 311
Total (inclusive of cost-sharing)	1 591 439 693	152 728 612	47 667 865	48 674 194	1 840 510 364	7 527 895	607 141	157 186 578	4 838 168	8 314 551	24 856 639	2 043 841 516 (statement)

g/ In addition to the expenditure disclosed above, it is estimated that approximately \$2.0 million has been expended by AFESD and \$2.0 million by UNICAD in 1992-1993. These amounts will be recorded in 1994 following confirmation of the expenditures by the agencies concerned.

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Agency Support Costs and Technical Support Services for the biennium ended 31 December 1993 a/

(United States dollars)

[illegible]

See note V(c).
See note d.

SCHEDULE 3

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

UNDP biennial budget

Administrative services, programme support and development activities costs
for the biennium ended 31 December 1993

(United States dollars)

	Revised appropriation a/	Expenditure				Income received	Net expenditure	Unencumbered balance
		Disbursements	Unliquidated obligations	Gross expenditure				
UNDP core activities:								
Headquarters	148 253 600	156 413 038	6 138 677	162 551 715	-	162 551 715	5 701 885	
Field Office	331 322 400	296 887 635	13 096 322	309 981 957	-	309 981 957	23 362 543	
	479 576 000	453 300 673	19 232 999	452 533 672 b/	-	452 533 672	27 062 328	
Income received	32 000 000	-	-	-	36 651 905	36 651 905	12 651 905	
	447 576 000	453 300 673	19 232 999	452 533 672	36 651 905	417 881 767 c/	39 696 233	
Programme support and development activities:								
Programme development activities	21 286 000	16 261 928	355 590	16 597 518	-	16 597 518	4 688 482	
Project/programme implementation services:								
Development support services	5 788 700	4 468 268	389 881	4 858 149	-	4 858 149	930 551	
Office for Project Services	32 793 300	28 219 328	601 690	28 821 018	-	28 821 018 d/	3 972 282	
Inter-Agency Procurement Services Office	5 669 400	4 484 084	-	4 484 084	-	4 484 084	1 185 316	
United Nations Volunteers programme	30 728 200	29 612 664	473 649	30 086 313	-	30 086 313	641 887	
National execution	2 690 600	2 239 261	51 801	2 291 062	-	2 291 062	399 538	
	77 670 200	69 023 605	1 517 021	70 540 626	-	70 540 626	7 129 574	
Programme support	2 300 000	2 020 822	-	2 020 822	-	2 020 822	279 178	
	101 256 200	87 286 355	1 872 611	89 158 966	-	89 158 966 e/	12 097 234	
Total	548 832 200	520 587 028	21 105 610	541 692 638	36 651 905 f/	507 040 733	43 791 467 g/	

a/ As submitted to the Governing Council at its fortieth session in June 1993.

b/ See schedule 3.1.

c/ See statement 1.

d/ See note 8.

e/ See note 9.

f/ See note 7.

SCHEDULE 3.1

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Expenditure against UNDP core activities by major category of expenditure
for the biennium ended 31 December 1993

(United States dollars)

	Revised appropriations	Expenditure		
		Disbursements	Unliquidated obligations	Total
Salaries and wages	207 573 700	191 086 760	658 145	191 744 905
Common staff costs	141 059 200	131 671 386	7 574 443	139 245 829
Travel on official business	11 331 000	10 660 497	802 477	11 462 974
Contractual services	8 843 100	8 624 143	860 439	9 484 582
General operating expenses	71 017 000	59 205 933	2 297 796	61 503 729
Supplies and materials	9 285 700	6 883 991	442 760	7 326 751
Acquisition of furniture and equipment	17 832 200	13 732 838	3 674 811	17 407 649
UNDP share of joint activities within the United Nations system	<u>12 634 100</u>	<u>11 435 125</u>	<u>2 922 128</u>	<u>14 357 253</u>
Total (schedule 3)	<u>479 576 000</u>	<u>433 300 673</u>	<u>19 232 999</u>	<u>452 533 672</u>

SCHEDULE 4

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Extrabudgetary income and expenditure
for the biennium ended 31 December 1993

(United States dollars)

	Balance as at 1 January 1992	Income received	Transfer between resources	Expenditure			Balance as at 31 December 1993
				Disbursements	Unliquidated obligations	Savings in liquidating prior year obligations	
Support services provided by UNDP core activities to UNDP non-core activities and trust funds administered by UNDP	8 043 984	27 092 644	-	24 822 240	809 729	110 297	9 614 956
Administrative support of activities financed by the Reserve for Field Accommodation	79 586	197 873	-	19 056	-	-	258 403
Programme and administrative support in field offices	19 565 917	28 082 876 a/	19 016 556	39 849 176	942 087	265 950	26 140 026
Procurement services provided by the Inter-Agency Procurement Services Office	515 624	3 124 181	-	3 242 734	19 093	3 086	361 064
Office for Project Services activities related to Trust Funds and Management Service Agreements	4 302 049	34 049 748 b/	-	30 563 390	602 744	-	7 185 663
Total (statement IV)	32 507 160	92 547 322 (statement I)	19 016 556	98 496 596	2 373 663	379 333	43 580 112 (statement II)
				31 166 134 b/	100 490 926 (statement I)		

a/ See note 6.

b/ See note 8.

SCHEDULE 5

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Status of bilateral and other resources received under management service agreements
for the biennium ended 31 December 1993

(United States dollars)

Source of funding	Recipient country	Balance	Income received a/	Cost of Services			Unencumbered
		as at 1 January 1992		Disbursements	Unliquidated obligations	Total	balance as at 31 December 1993
<u>Executed by Office for Project Services</u>							
EEC	Albania	-	1 966 275	1 436 383	182 784	1 619 167	347 108
IADB	Argentina	(220 110)	305 817	(115 989)	-	(115 989)	201 696
World Bank	Argentina	6 019 226	32 996 785	23 441 633	4 985 227	28 426 860	10 589 151
Italy	Argentina/Uruguay	116 806	13 177	39 452	-	39 452	90 531
IADB	Argentina	-	25 386 000	773 200	20 801 372	21 574 572	3 811 428
Japan	Benin	3 711 358	8 714 335	3 940 134	3 822 252	7 762 386	4 663 307
Bhutan	Bhutan	-	285 041	258 630	20 645	279 275	5 766
IDA	Bolivia	1 596 866 b/	2 272 777	3 060 920	102 285	3 163 205	706 438
Multiple	Bolivia	-	12 463	-	-	-	12 463
IDB	Bolivia	2 020 156 b/	2 896 073	3 618 508	156 805	3 775 313	1 140 916
World Bank	Bolivia	130 691	1 752 937	1 212 406	34 768	1 247 174	636 454
Japan	Bolivia	-	7 824 172	7 661 164	102 975	7 764 139	60 033
Bolivia	Bolivia	-	1 009 288	563 717	-	563 717	445 571
German	Bolivia	-	3 668 509	3 613 001	1 646	3 614 647	53 862
World Bank	Brazil	218 422	(227 699)	(9 277)	-	(9 277)	-
Japan	Burkina Faso	-	2 558 181	1 756 935	371 872	2 128 807	429 374
Japan	Cameroon	-	7 515 110	6 396 401	505 705	6 902 106	613 004
Japan	Central Africa	441 516	4 282 644	1 717 156	2 929 920	4 647 076	77 084
Italy	Central America	3 139 564	3 940 593	4 515 810	745 944	5 261 754	1 818 403
Italy	Chad	107 154	11 680	59 097	-	59 097	59 737
Government	Congo	-	-	25 760	298 327	324 087	(324 087)
USAID	Costa Rica	10 879	396	-	-	-	11 275
World Bank	Costa Rica	35 397	4 070	6 449	-	6 449	33 018
Italy	Cuba	43 737	1 591	410	-	410	44 918
IDA	Djibouti	28 771	2 386	7 429	-	7 429	23 728
Djibouti	Djibouti	-	445 145	117 922	7 866	125 788	319 357
Dominica	Dominican Republic	105 000	646 199	583 777	95 745	679 522	71 677
World Bank	Ecuador	155 738	10 678 309	5 227 649	1 047 538	6 275 187	4 558 860
Netherlands	Egypt	195 065	12 740	83 683	119 760	203 443	4 362
Italy	Egypt	82 353	3 074	(2 972)	-	(2 972)	88 399
Italy	El Salvador	177 584	3 326 693	496 922	22 271	519 193	2 985 084
Japan	El Salvador	-	12 748 488	5 525 662	6 228 895	11 754 557	993 931
Italy	Ethiopia	201 274	23 045	9 997	-	9 997	214 322
IDA	Ethiopia	83 617	1 162 505	806 897	29 684	836 581	409 541
Joint	Europe (regional)	114 652	10 252	-	-	-	124 904
Netherlands	Guatemala	220 576	20 655	150 121	-	150 121	91 110
World Bank	Guatemala	-	69 180	7 862	17 418	25 280	43 900
Japan	Guinea	81 068	3 933 309	332 067	2 505 893	2 837 960	1 176 417
Italy	Guinea	4 050	148	-	-	-	4 198
World Bank	Honduras	39 903	253 428	353 343	6 339	359 682	(66 351) s/
Japan	Honduras	3 540 680	226 883	3 338 210	367 100	3 705 310	62 253
IDA	Indonesia	5 762	210	-	-	-	5 972
Denmark	Interregional	1 253 235	4 787 432	1 323 043	431 016	1 754 059	4 286 608
Norway	Interregional	307 346	869 117	443 880	111 359	555 239	621 224
UN	Iraq	-	130 420	130 420	-	130 420	-
Japan	Ivory Coast	-	400 000	400 000	-	400 000	-
Norway	Kyrgyzstan	-	583 942	562 922	-	562 922	21 020
Government	Kyrgyzstan	-	410 000	409 966	-	409 966	34
Australia	Laos	24 883	2 050	-	-	-	26 933
Government	Latvia	-	200 000	95 769	47 843	143 612	56 388
Japan	Madagascar	8 327 056	10 694 455	3 513 918	5 623 075	9 136 993	9 884 518
Japan	Mauritania	20 027	8 794 761	319 175	8 277 070	8 596 245	218 543
Japan	Mali	865 602	3 931 339	4 786 446	-	4 786 446	10 495
World Bank	Mali	-	65 400	27 142	617	27 759	37 641

SCHEDULE 5 (Concluded)

Source of funding	Recipient country	Balance as at 1 January 1992	Income received a/	Cost of Services			Unencumbered balance as at 31 December 1993
				Disbursements	Unliquidated obligations	Total	
<u>Executed by Office for Project Services</u>							
Mexico	Mexico/Colombia/						
	Venezuela	-	70 903	69 016	14 423	83 439	(12 536) g/
IDA	Mongolia	-	2 087 036	1 537 903	165 015	1 702 918	384 118
Denmark	Mongolia	886 668	(2 467)	884 201	-	884 201	-
Japan	Mongolia	514 115	16 582 384	8 392 892	6 482 585	14 875 477	2 221 022
Netherlands	Mongolia	-	1 066 667	975 845	14 559	990 404	76 263
Japan	Niger	269 006	20 623	260 552	19 545	280 097	9 532
Japan	Nicaragua	85 873	8 158 862	5 062 202	2 671 431	7 733 633	511 102
IDA	Pakistan	6 937	235	696	-	696	6 476
Italy	Palestine	2 004 233	12 762 960	5 607 363	28 659	5 636 022	9 131 171
World Bank	Papua New Guinea	458 027	933 124	1 047 184	70 749	1 117 933	273 218
Australia	Papua New Guinea	64 461	3 263	60 122	-	60 122	7 602
IDA	Paraguay/Argentina/ Bolivia	-	55 252	18 600	-	18 600	36 652
Italy	Peru/Guatemala/ Zimbabwe	17 317	1 386	-	-	-	18 703
Japan	Peru	-	29 983 712	23 920 566	5 913 771	29 834 337	149 375
Denmark	Philippines	-	423 983	343 938	78 784	422 722	1 261
USDOJ	Republic of Palestine	-	405 232	185 232	-	185 232	220 000
France	Regional Africa	988 854	86 140	304 548	39 507	344 055	730 939
Sweden	Regional Africa	(364 069)	2 775 286	2 094 854	326 997	2 421 851	(10 634)
Finland	Regional Asia	-	884 880	313 830	-	313 830	571 050
Japan	Senegal	-	245 000	245 000	-	245 000	-
Japan	Somalia	756 307	30 077	362 486	66 300	428 786	357 598
World Bank	St. Kitts/Nevis	-	483 042	46 678	176 518	223 196	259 846
Japan	Sao Tome and Principe	-	1 928 630	40 000	1 060 029	1 100 029	828 601
Italy	Sudan	1 043 394	93 354	31 874	-	31 874	1 104 874
Italy	Thailand (997)	(997)	-	(999)	-	(999)	2
Finland	Thailand	1 491 356	235 132	1 154 677	74 318	1 228 995	497 493
Japan	Togo	1 134	(2 122)	(988)	-	(988)	-
World Bank	Turkey	186 468	4 377 845	2 830 386	666 224	3 496 610	1 067 703
U.S.A.	Turkey	3 611 109	295 327	3 424 342	-	3 424 342	482 094
World Bank	Uganda	2 061 562	6 224 724	5 910 212	178 624	6 088 836	2 197 450
Sweden	Uganda	16 011	465 361	354 635	41 249	395 884	85 488
World Bank	Tanzania	-	288 540	8 200	61 388	69 588	218 952
Australia	Viet Nam	100 714	29 485	(27 852)	-	(27 852)	158 051
World Bank	Yemen	(107 685)	258 637	141 854	-	141 854	9 098
Japan	Zaire	60 474	(9 716)	(317 999)	175 333	(142 666)	193 424
		<u>47 357 173</u>	<u>262 864 557</u>	<u>158 305 200</u>	<u>78 328 024</u>	<u>236 633 224</u>	<u>73 588 506</u>
<u>Executed by other Agencies</u>							
Czechoslovakia	Interregional	442 720	(66 525)	3 816	-	3 816	372 379
Total		<u>47 799 893</u>	<u>262 798 032</u>	<u>158 309 016</u>	<u>78 328 024 d/</u>	<u>236 637 040</u>	<u>73 960 885</u> (statement 11)

a/ Total income received comprises: advances of \$257 883 933 received from donors in accordance with management service agreements entered into by UNDP for the provision of bilateral and other programmes and interest of \$4 914 099 earned on these advances.

b/ An amount of \$1,062,406 was transferred from Boliva-IDA to Boliva-IDA to properly to reflect the opening balances for a current biennium.

c/ At the time of financial statement preparation, sufficient funds had been received in 1994 to eliminate the deficit.

d/ See note 16(b).

SCHEDULE 6

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Investments as at 31 December 1993,
with comparative figures as at 31 December 1991

(United States dollars)

<u>1991</u>	<u>Type</u>	<u>1993</u>
4 100 475	Interest-bearing current accounts	3 713 328
1 196 107	Call accounts	3 947 460
557 790 166	Time-deposits	712 491 394
183 373 682	Bonds and notes	205 571 628
<u>70 619 070</u>	Other securities	<u>8 419 012</u>
<u>817 079 500</u>	Total	<u>934 142 822</u> (statement II)

SCHEDULE 7

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT Status of the Investments and Activities of the Reserve for Field Accommodation as at 31 December 1993 (United States dollars)

	Advances	Outstanding commitments a/
Construction loans to Governments	3 448 051	-
Completed investments	10 531 905	-
New construction	22 355 274	1 035 387
Household Appliances Rental Scheme	594 151	-
Repairs and rehabilitation of houses	<u>4 573 575</u>	<u>-</u>
Total outstanding	<u>41 502 956 b/</u>	<u>1 035 387</u>
Overexpenditure	<u>(16 502 956)</u>	
Authorized level of reserve	<u>25 000 000 b/</u>	

a/ See note I(f).

b/ See statement II.

SCHEDULE 8

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Junior Professional Officers programme Status of funds for the biennium ended 31 December 1993

(United States dollars)

Sources of financing	Balance as at 1 January 1992	Receipts	Disbursements	Balance as at 31 December 1993
<u>Governments</u>				
Australia	35 948	267 664	294 322	9 290
Austria	23 693	1 109 538	1 027 471	105 760
Belgium	(9 555)	3 447 206	2 583 642	854 009
Canada	1 292 489	2 865 740	3 110 047	1 048 182
Denmark	935 825	5 940 979	5 840 508	1 036 296
Finland	667 639	2 668 661	2 349 983	986 317
France	(583 683)	4 930 604	3 765 227	581 694
Germany	1 531 737	3 847 589	4 082 531	1 296 795
Ireland	279	-	60	219
Italy	(729 560)	1 336 266	980 297	(373 591)
Japan	(606 245)	2 577 995	2 423 330	(451 580)
Luxembourg	-	175 393	161 811	13 582
Netherlands	(669 931)	8 954 637	8 291 340	(6 634) a/
Norway	503 094	3 008 928	2 686 341	825 681
Portugal	-	-	26 883	(26 883)
Spain	(1 134 537)	2 264 057	1 992 163	(862 643) a/
Sweden	892 874	3 562 648	3 573 893	881 629
Switzerland	33 505	1 244 990	1 016 486	262 009
United Kingdom	(275 864)	1 055 231	897 634	(118 267) a/
Total	<u>1 907 708</u>	<u>49 258 126</u>	<u>45 103 969</u>	<u>6 061 865</u> (statement II)

a/ At the time of preparing the financial statements, the following funds had been received in 1994: Netherlands - \$1,275,000; Spain - \$565,159; United Kingdom - \$118.267.

UNEP TRUST FUNDS ADMINISTERED BY UNEP

Movements in resources for the biennium ended 31 December 1993

(United States dollars)

Trust Funds	Statement no.	GENERAL RESOURCES				COST SHARING			SUB-TRUST FUNDS			EXTRABUDGETARY ACTIVITIES		
		Balance as at 1 Jan 1992	Surplus (excess) (1992)	Balance as at 31 Dec. 1993	Balance as at 1 Jan. 1992	Surplus (excess) (1992)	Balance as at 31 Dec. 1993	Balance as at 1 Jan. 1992	Surplus (excess) (1992)	Balance as at 31 Dec. 1993	Balance as at 1 Jan. 1992	Surplus (excess) (1992)	Balance as at 31 Dec. 1993	
United Nations Capital Development Fund	V	108 760 116	(29 880 708)	78 879 406	(81 990)	227 991	144 001	1 051 677	(18 697)	1 069 980				
United Nations Revolving Fund for Natural Resources Exploration	VI	2 246 914	(96 576)	2 150 336				67 011	1 064	68 077				
United Nations Trust Fund for Sustainable Development Activities	VII	34 940 804	(8 151 159)	25 789 645	15 621 965	(7 272 072)	8 147 891	1 710 791	(628 018)	890 773				
United Nations Volunteers Programme	VIII	6 855 812	2 310 711	9 166 523				5 051 814	2 629 017	7 680 831				
United Nations Fund for Science and Technology for Development	IX	2 157 617	(1 200 432)	957 185	261 900	(80 910)	187 990	1 767 649	(1 141 897)	605 552				
United Nations Development Fund for Women	XI	8 400 251	(5 484 758)	2 915 493	1 573 116	75 381	1 648 717	1 217 991	(2 121 869)	1 096 122				
UNEP Trust Fund to Combat Poverty and Hunger in Africa	XVIII	44 209	1 509	45 718				644 405	(2 620 000)	616 177				
Trust Fund for the Global Environment Facility	XXI	489 060	16 824 451	17 313 519	70 000	915 366	985 366							
UNEP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia	XXII													

† The surplus expenditure under general resources of \$29,880,708 includes a net transfer of \$1,000,000 from operational reserve

‡ The surplus expenditure under cost-sharing includes the amount of \$15,116 representing transfer of resources from sub-trust funds

§ The surplus expenditure under sub-trust funds includes the amount of \$972,074 representing unexpended resources transferred or refunded to donors due to the closure of the sub-trust fund

¶ The surplus expenditure under sub-trust funds includes the amount of \$22,308 representing transfers and refunds of unexpended resources owing to closure of the sub-trust funds, of which \$1,991 was transferred to general resources.

‡ The surplus expenditure under general resources of \$5,484,758 includes a net transfer of \$1,100,000 from operational reserve

SCHEDULE 10

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Investments as at 31 December 1993,
with comparative figures for 1991

(United States dollars)

1991	Trust fund	1993
<u>United Nations Capital Development Fund</u>		
14 333	Interest-bearing current accounts	3 820
140 000	Call accounts	50 900
116 850 000	Time-deposits	81 525 000
48 181 581	Bonds and notes	59 489 593
165 185 914	Total (statement V)	141 069 313
<u>United Nations Revolving Fund for Natural Resources Exploration</u>		
133 000	Call Accounts	27 000
1 550 000	Time-deposits	1 680 000
1 683 000	Total (statement VI)	1 707 000
<u>United Nations Trust Fund for Sudano-Sahelian Activities</u>		
1 013	Interest-bearing current accounts	1 103
116 000	Call accounts	17 800
46 750 000	Time-deposits	19 707 000
8 047 892	Bonds and notes	13 148 914
54 914 905	Total (statement VII)	32 874 817
<u>United Nations Volunteers programme</u>		
23 374	Interest-bearing current accounts	10 980
460 000	Call accounts	120 000
19 650 000	Time-deposits	20 750 000
20 133 374	Total (statement VIII)	20 880 980

SCHEDULE 10 (concluded)

1991	Trust fund	1993
<u>United Nations Fund for Science and Technology for Development</u>		
100 000	Call accounts	31 000
4 500 000	Time-deposits	2 245 000
<u>4 600 000</u>	Total (statement IX)	<u>2 276 000</u>
<u>UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia</u>		
140 000	Call accounts	35 000
1 400 000	Time-deposits	350 000
<u>1 540 000</u>	Total (statement X)	<u>385 000</u>
<u>United Nations Development Fund for Women</u>		
140 000	Call accounts	29 000
12 700 000	Time-deposits	12 645 000
<u>1 750 000</u>	Bonds and notes	<u>1 000 000</u>
<u>14 590 000</u>	Total (statement XI)	<u>13 674 000</u>
<u>Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries</u>		
1 500 000	Time-deposits	214 000
5 061 704	Bonds and notes	5 648 027
<u>6 561 704</u>	Total (statement XVI)	<u>5 862 027</u>
<u>Trust Fund for Environmental Conservation in Bhutan</u>		
-	Bonds and notes (statement XXII)	<u>9 242 067</u>
<u>United Nations Trust Fund for Operational Programme in Lesotho</u>		
<u>54 717</u>	Interest-bearing current accounts (statement XXVI)	<u>-</u>

SCHEDULE 11

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Budget appropriations and expenditure for the biennium ended 31 December 1993

(United States dollars)

Trust fund	Revised Net appropriation	Expenditure			Unencumbered balance
		Disbursements	Unliquidated obligations	Total expenditure	
United Nations Capital Development Fund	10 766 000	8 880 897	112 938	8 993 835	1 772 165
United Nations Revolving Fund for Natural Resources Exploration and United Nations Fund for Science and Technology for Development	4 356 600	2 605 638	20 419	2 626 057 ^{a/}	1 730 543
United Nations Trust Fund for Sudan-Sahelian Activities	8 004 300	6 548 623	171 745	6 720 368	1 283 932
United Nations Development Fund for Women	5 605 600	5 132 018	67 044	5 199 062	406 538

^{a/} Breakdown of expenditure is as follows:

	Disbursements	Unliquidated obligations	Total expenditure
United Nations Revolving Fund for Natural Resources Exploration	1 822 906	20 419	1 843 325
United Nations Fund for Science and Technology for Development	782 732	-	782 732
	2 605 638	20 419	2 626 057

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Summary of significant accounting policies

The financial statements reflect the application of the following significant accounting policies:

(a) Income

Interest income is accrued as income in the biennium to which it relates. All other income is accounted for on a cash basis, with the exception of income accrued on government letters of credit which are irrevocable (see note 12). Government contributions receivable for the current and prior bienniums are shown in note 3 for the UNDP Account, and in note 31 and as notes on the status of funds of the trust funds (statements V to XXVII).

(b) Expenditure

All expenditure of UNDP is accounted for on an accrual basis, except for that relating to staff entitlements and projects executed by Governments, which is accounted for on the basis of cash disbursements only. Project expenditure includes unliquidated obligations raised by the executing agencies (other than Governments) and the following criteria are generally applied:

Experts and other project personnel	Costs relating to the period of contractual service falling within the current biennium up to the amount provided in the current budget;
Travel on official business	Costs of travel taking place in the current biennium and travel which commences before the end of the current biennium but extends into the next biennium;
Subcontracts	Payments falling due in the current biennium according to the terms of the contract or payment schedule;
Fellowships	Cost of the fellowship from the anticipated date of commencement of study or start of the current biennium to completion of study or end of the current biennium, whichever is earlier;
Group training	Full cost of any training activity held in the current biennium or beginning in the current and ending in the next biennium;
Equipment	Full cost of contractual agreement or firm order placed with the supplier prior to the end of the current biennium up to the amount provided in the current budget;
Miscellaneous	Cost of events occurred (for example, hospitality), goods or services delivered or firm orders placed for delivery in the current biennium.

Commitments may be incurred in the current biennium against future years' budgets. These are recorded as forward commitments and reflected in note 18.

Certain flexibility provisions may be applied to expenditure. In any given year, expenditure may exceed an approved project budget for that year by \$20,000 or 4 per cent thereof, whichever is the higher, provided the executing agency does not incur overall expenditures for that year in excess of 2 per cent of the total allocations made to it. In addition, executing agencies are also authorized, for an experimental period of three years beginning 1 July 1987 (extended an additional two years in 1990), to record obligations in any year up to 20 per cent of the project budget of the following year. This arrangement continues, pending ratification by the Governing Council.

(c) Agency support costs and technical support services

Agency Programme Support Costs denotes the percentage of total project costs authorized by the Governing Council for payment to the executing and cooperating agencies and implementing agents to reimburse them for costs incurred in the administration (technical and otherwise) of UNDP-financed projects. These support costs are based on total annual programme expenditure. Certain specialized agencies are under flexibility arrangements and hence the support costs payable to them are dependent on their total annual programme expenditure in respect of UNDP-financed projects. Sectoral support costs are also paid to certain agencies for provision of sectoral advice to Governments and UNDP. The level of sectoral support and the use of its resources for a given cycle are determined by the Governing Council.

The Governing Council, at its thirty-eighth session in 1991, adopted comprehensive legislation on successor arrangements to agency support costs. These arrangements are effective 1 January 1992 and they are in respect of all projects approved after that date. They will replace the previous support cost arrangements that were last revised by the Governing Council at its twenty-seventh and twenty-eighth sessions in 1980 and 1981, respectively. The major features of the new arrangements are the separation between two distinct types of technical support services, namely TSS1 and TSS2, which provide services at the programme and project level respectively, and administrative and operational support services (AOS) provided at the project level. Administrative and operational support services may be obtained from a number of different implementing agents, including agencies as well as external agents. Details of the support costs under the previous arrangements and the successor arrangements are provided in schedule 2.1.

Reimbursement for administrative operational support services applies to trust funds as well. These amounts are included under programme support costs: executing agencies on the status of funds of the trust funds. Programme support costs: UNDP denotes the percentage of total project costs as specified in the individual trust fund agreements paid to UNDP as reimbursement for costs incurred in the administration of the funds.

(d) Exchange rates

Voluntary contributions received from Governments are translated into United States dollars using the United Nations operational rate of exchange in effect on the date of payment.

Exchange adjustments arising from the receipt of contributions from Governments are recorded as increases/reductions to the contributions, and are

included in statement I. All other exchange adjustments have been recorded as net miscellaneous expenditure and are shown in schedule 1.

For the purposes of accounting for assets, liabilities and transactions, and the maintenance of other financial records, other currencies are translated into United States dollars at the United Nations operational rate of exchange in effect on the date of the report or transaction.

(e) Capital expenditure

The full cost of non-expendable equipment is charged to the UNDP biennial budget or to the appropriate project in the biennium in which it is purchased. An inventory is maintained of all non-expendable equipment (defined as items of equipment valued at \$500 or more a unit and with a serviceable life of at least five years, and items of equipment included in any special list for which formal inventory records are maintained).

(f) Commitments of the Reserve for Field Accommodation

The total amount of loan commitments reflected in schedule 7 relates to loan and investment agreements signed with the respective Governments for construction of offices and housing, as well as funds for the Household Appliances Rental Scheme and the repair and rehabilitation of housing. The Governing Council, at its thirty-seventh session in 1990, authorized the overcommitment of the Reserve by \$10 million, with the proviso that funds disbursed not exceed \$25 million at any one time.

(g) Operational Reserve

The Governing Council at its thirty-seventh session in 1990, approved a change in the basis of calculation of the UNDP Operational Reserve to 20 per cent of the estimated contributions or 20 per cent of projected expenditure, whichever is higher. Transfers to adjust the level of the reserve are reported in statement IV and note 17.

Where applicable, Operational Reserves of the trust funds are discussed in notes to the individual status of funds.

Note 2. Changes in financial statement presentation

The format of the 31 December 1993 biennial financial statements has been revised from that of the 31 December 1991 biennial financial statements in several areas. These changes, the amounts involved and the restated comparative figures as at 31 December 1991 are as follows:

Programme support costs - programme support costs on statement I, previously disclosed as one amount, are now classified as agency support costs and technical support services (1992-1993 - \$158,844,779; 1990-1991 - \$208,353,976), programme support and development activities (1992-1993 - \$89,158,966; 1990-1991 - \$61,897,099) and UNDP sectoral support costs (1992-1993 - \$14,038,198; 1990-1991 - \$10,671,968). Programme support and development activities in the biennium ended 31 December 1991 were carried forward from schedule 3 to schedule 2, and included in the programme support cost amount on statement I. They are now carried to statement I directly from schedule 3. UNDP sectoral support costs were previously disclosed separately below programme support costs on statement I.

The former schedule 2, programme expenditure, has now been divided into schedule 2, programme expenditure, and schedule 2.1, agency support costs and technical support services. In addition, the Office for Project Services is now shown separately from UNDP-other. Programme support cost expenditure relating to the Office for Project Services is disclosed and then, with the exception of support costs relating to extrabudgetary activity, eliminated in schedule 2.1. Previously, only programme support and development activities were shown as UNDP support costs.

Expert hiatus financing, extended sick leave costs, and compensation payments - these amounts, now included as miscellaneous income (net) in schedule 1 and statement I, were previously disclosed separately in statement I (1992-1993 - \$779,974; 1990-1991 - \$865,333).

Investments - investments of the Operational Reserve in the amount of \$200,000,000 (1991 - \$200,000,000) and investments of the Reserve for Field Accommodation of \$ nil (1991 - \$6,405,115) are now disclosed along with general resources and subsidiary programme investments under Investments in statement II. These amounts were previously shown separately in statement II. Activities under the Reserve for Field Accommodation of \$41,502,956 (1991 - \$18,594,885), as shown in schedule 7, remain as a separate amount in statement II.

Investments held for liabilities of the Medical Insurance Plan and unliquidated obligations of management service agreements and trust funds established by the Administrator, previously shown as general resource investments, are now disclosed as subsidiary programme investments in statement II. As a result \$104,346,614 of general resource investments were transferred to subsidiary programme investments (1991 - \$58,280,460).

These changes in presentation do not impact surplus income/(expenditure) for the biennium ended 31 December 1993, nor for the biennium ended 31 December 1991 comparative figures.

Note 3. Contributions of Governments and other contributors - UNDP Account

Contributions due from Governments and other contributors as at 31 December 1993 were as follows:

	Voluntary contribu- tions	Voluntary contribu- tions for the Special Measures Fund for the Least Developed Countries	Cost-sharing contribu- tions	Cash- counterpart contribu- tions	Total
(United States dollars)					
1989 and prior bienniums	3 978 012	2 373	6 086 238	2 447 923	12 514 546
1990	920 186	4 878	5 869 802	526 143	7 321 009
1991	22 155 542	13 378	11 655 702	322 516	34 147 138
1992	1 613 646	0	22 720 613	1 369 284	25 703 543
1993	<u>21 611 558</u>	<u>1 000</u>	<u>106 863 284</u>	<u>1 784 579</u>	<u>130 260 421</u>
Total	<u>50 278 944</u>	<u>21 629</u>	<u>153 195 639</u>	<u>6 450 445</u>	<u>209 946 657</u>

At 31 December 1991, \$261,519,625 in contributions were due.

The amounts in respect of cost-sharing and cash-counterpart contributions are based on budgeted expenditure for the year and will be adjusted on the rephasing of these budgets.

Since UNDP accounts for its income from contributions on a cash basis, these amounts are not reflected in the contributions income shown in statement I. However, if UNDP recorded its income on an accrual basis, income from contributions for the biennium would be as follows:

	<u>United States dollars</u>	
	<u>1992-1993</u>	<u>1990-1991</u>
Voluntary contributions	1 963 304 116	2 057 235 455
Voluntary contributions for the Special Measures Fund for the Least Developed Countries	42 252	12 830 031
Cost-sharing contributions	724 629 436	381 174 482
Cash-counterpart contributions	<u>22 531 669</u>	<u>21 515 167</u>
Total	<u>2 710 507 473</u>	<u>2 472 755 135</u>

Note 4. Unidentified contributions

Contributions received, but not identified as to purpose, are held as accounts payable until identified, at which time they are recorded as income. Of these contributions, \$5,345,499 were recorded as accounts payable at 31 December 1991 and recognized as income in the current biennium (1990-1991: \$7,300,206). At 31 December 1993, \$2,718,256 in unidentified receipts were held as accounts payable. The amount is included in note 16 (b) under miscellaneous accounts payable.

Note 5. Accounting linkage between voluntary contributions and contributions to local office costs

At its thirty-first session in 1984, the Governing Council authorized the establishment of a country-specific accounting linkage between voluntary contributions (including contributions to voluntary programme costs), and contributions to local office costs in such a manner that voluntary contributions are first accounted for against any shortfall in contributions to local office costs. The total amount of \$9,858,087, which was transferred from voluntary contributions (statement I) in respect of such linkage (1990-1991: \$11,497,092), is included in the \$34,651,905 figure in schedule 3 and shown in note 9.

Note 6. Prior biennium interest on cost-sharing contributions

Included in the amounts of \$9,296,761 in schedule 1 and \$28,082,876 in schedule 4, is \$5,444,585 representing interest earned on cost-sharing contributions in the prior biennium and transferred from UNDP general resources to UNDP extrabudgetary resources in this biennium (1990-1991: \$8,560,586).

Note 7. Allocations for accounting reserves

The Governing Council at its fortieth session in 1993, approved the proposals of the Administrator concerning the use of 1992-1993 budget savings to support a smooth implementation of the 1994-1995 budget strategy. Accordingly, the following two reserves were charged to surplus income of the 1992-1993 biennium:

(a) Reserve for transitional measures - an amount of \$7,200,000 (equivalent to the maximum of 1.5 per cent of the 1992-1993 core appropriations) to fund transitional staff costs associated with the timing of separations, training, system development and other related costs.

(b) Reserve for budgeted separations - an amount of \$6,359,000 to cover actual costs of separation agreements themselves which were reached but not fully completed during 1993.

The reserves were set up out of the \$41,791,467 unencumbered balance of the 1992-1993 UNDP biennial budget as shown in schedule 3.

The allocations for these reserves are presented in statement I and the reserves themselves in statement II. Expenditures relating to the purpose for which the reserves were set up will be charged against them during the 1994-1995 biennium.

Note 8. UNDP programme support costs

The Office for Project Services during 1992-93 earned programme support cost income of \$36,370,047 as an executing agency on UNDP-funded projects; of \$1,777,726 as a cooperating agency on nationally-executed UNDP-funded projects; and of \$686,942 as an associated agency on UNDP-funded projects. The related UNDP programme support cost expenditure is shown in schedule 2.1.

Of this income, the Office for Project Services earned \$111,517 on UNDP-funded projects under government cash counterpart contributions, and \$8,686,097 on UNDP-funded cost-sharing projects. As extrabudgetary activity, \$1,944,223 was transferred to become part of UNDP field office extrabudgetary income of \$28,082,876 as shown in schedule 4, with the remaining \$6,741,874 included in Office for Project Services extrabudgetary income of \$34,049,748 also in schedule 4. All other income, net of \$1,403,380 paid by the Office for Project Services to other associated agencies on OPS-executed UNDP-funded projects, was eliminated against total programme support cost expenditure as shown in schedule 2.1 and statement I.

The costs paid by the Office for Project Services for the support services provided by UNDP have been recorded in the amount of \$5,282,110 in the \$28,821,018 figure in schedule 3 and \$4,896,902 in the \$31,166,134 figure in schedule 4, as part of the total Office for Project Services costs. To the extent that part of these costs for support services may have been financed from UNDP programme support costs, expenditure would be reflected in UNDP programme support costs and extrabudgetary income and expenditure.

Note 9. Income received for the biennial budget

The amount of \$34,651,905 shown in schedule 3 and statement I for income received for the biennium ended 31 December 1993 consists of host Government cash contributions of \$33,714,886 and other income of \$937,019.

Host Government cash contributions consist of:

	<u>United States dollars</u>	
	<u>1992-1993</u>	<u>1990-1991</u>
Government local office contributions	23 856 799	20 790 056
Transfers from voluntary contributions	<u>9 858 087</u>	<u>11 497 092</u>
	<u>33 714 886</u>	<u>32 287 148</u>

Note 10. Provision to reduce the book value of accounts receivable and deferred charges

The provision, established in 1987 to reduce the deficit in operating the FAO fisheries vessels pool, was reduced to \$537,487 to reflect the current book value of the receivable. The \$171,539 reduction is credited to the provision in statement I and the adjusted provision is shown in note 16 (a).

Note 11. Valuation of cash and investments at January 1994 United Nations operational rate of exchange

In accordance with the accounting policy disclosed in note 1 (d), cash totalling \$46,039,620 as reported in statement II, and investments totalling \$934,142,822 as reported in statement II and schedule 6, include the United States dollar equivalent of cash and investments in other currencies using the United Nations operational rate of exchange established on 1 December 1993 and in effect on 31 December 1993. At the United Nations operational rate of exchange in effect on 1 January 1994, which more closely reflects the market rate of exchange as at 31 December 1993, the value shown in the accounts would amount to approximately \$497,505 less for cash and \$851,467 more for investments (1991: \$1,400,000 more for cash and \$18,300,000 more for investments).

Note 12. Government letters of credit

The amount shown in statement II represents a letter of credit in respect of cost-sharing contributions made to UNDP by a Government covering the following:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Information on the Judicial system in Uruguay	103 300	238 689
Emergency Relief Unit in Sudan	320 000	-
Strengthening of the Judicial System in Uruguay	125 900	50 000
United Nations Emergency Relief Operations in Liberia	499 500	-
UNDP Emergency Unit to Assist Rwandans Displaced by War	380 000	-
Development of Small and Medium-Sized Technological Industries	20 000	-
Support to Humanitarian Assistance Operations in Angola	500 000	-
Support of child-survival activities in Africa	-	419 896
Regional projects in Africa	-	1 695 000
Support of international drinking water supply	-	6 875
Training in macro and micro-economics in Mongolia	-	250 000
State modernization project in Uruguay	-	300 000
Strengthening of the public sector	-	250 000
Total	<u>1 948 700</u>	<u>3 210 460</u>

As the letter of credit is irrevocable, the amount is presented with cash and investments in statement II and is included in cost-sharing contributions as presented in statement I.

Note 13. Forward exchange contracts

UNDP held no forward exchange contracts at 31 December 1993.

Note 14. Market value of investments

The market value of bonds and notes, reported as \$205,571,628 in schedule 6 and in the \$934,142,822 figure in statement II, would amount to \$2,343,379 more if valued at market values at 31 December 1993 and converted to the United States dollar equivalent using the United Nations operational rate of exchange in effect on 1 January 1994 (as explained in note 11).

Note 15. Amounts due from/to trust funds administered by UNDP

UNDP advances funds to, and receives funds for, the trust funds that it administers. The balance of these transactions as at 31 December 1993 is shown in the financial statement relating to each trust fund (statements V to XXVII).

Note 16. Accounts receivable and payable

(a) Accounts receivable and deferred charges

The amount of \$31,991,645 as shown in statement II consists of the following:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Advances to staff and consultants	7 755 131	8 477 830
Deferred charges	4 038 350	5 391 274
Agency receivables	8 438 987	13 009 595
Miscellaneous field office receivables	12 296 071	19 277 422
Miscellaneous accounts receivable	<u>593</u>	<u>127 365</u>
Subtotal	32 529 132	46 283 486
Less:		
Provision to reduce the book value of accounts receivable	<u>537 487</u>	<u>709 026</u>
Total	<u>31 991 645</u>	<u>45 574 460</u>

(b) Accounts payable

The amount of \$154,479,987 as shown in statement II consists of the following:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Amounts received in respect of other United Nations organizations' programmes	6 295 330	9 980 646
Unliquidated obligations of the biennial budget and extrabudgetary activities	23 988 938	17 222 773
Unliquidated obligations for management service agreements	78 328 024	49 208 710
Medical Insurance Plan Fund	6 293 333	3 986 030
Insurance proceeds in respect of the air crash in the United Republic of Tanzania	147 693	186 871
Miscellaneous field office payables	10 298 131	11 919 099
Miscellaneous accounts payable	<u>29 128 538</u>	<u>27 349 595</u>
Total	<u>154 479 987</u>	<u>119 853 724</u>

Note 17. Operational Reserve

In accordance with the 1990 decision of the Governing Council as stated in Note 1 (g), additional investments of \$10 million were transferred to the Operational Reserve and invested on its account in 1992. In 1993 the reserve was reduced by the same amount to maintain the required level.

The balance of the reserve (1993 and 1991: \$200,000,000) is shown in statement II and details of the investments are given in schedule 6.

Note 18. Unspent allocations and future commitments

(a) Unspent allocations

Unspent allocations issued against resources of the UNDP account as at 31 December 1993 amounted to approximately \$667 million, against which forward commitments reported by executing agencies were approximately \$125 million.

(b) Leasehold commitments

Future leasehold commitments against the resources of the UNDP account at 31 December 1993 amount to \$14,750,395 for field office lease agreements and \$59,366,000 for headquarters' lease agreements.

Note 19. Contingent liabilities

(a) Termination benefits

The contingent liability resulting from the termination benefits that UNDP will be required to pay to its staff members in future bienniums is estimated, at 31 December 1993, to be \$21,502,369 with respect to repatriation grants and \$3,564,327 with respect to termination indemnity (1991: \$18,248,779 and \$2,890,984, respectively).

(b) Air crash in the United Republic of Tanzania

On 5 December 1980, four UNDP staff members died in an air crash in the United Republic of Tanzania. As a result, UNDP received insurance proceeds totalling \$623,948 from which it pays compensation to the beneficiaries of the air crash victims. The balance of proceeds at 31 December 1993 total \$147,693. Upon depletion of these proceeds, compensation payments will be reported as expenditure against the budget of the biennium to which the payments relate.

Note 20. United Nations Capital Development Fund

(a) The amount of \$104,566,178 shown as project costs of general resources includes credit adjustments to prior bienniums of \$1,109,121. The amount of \$3,088,878 shown as programme support costs of general resources includes credit adjustments to prior bienniums of \$67,996.

(b) The Governing Council, at its thirty-eighth session in 1991, approved the establishment of technical support budgets. In line with this decision, technical support costs incurred by the Fund in 1992-1993 in the amount of \$1,982,106 are shown separately in statement V.

In prior bienniums, these costs were deducted from the extrabudgetary account. In 1990-1991, the extrabudgetary account was reduced by \$1,820,339 representing technical support costs incurred in 1990-1991.

(c) The amount of \$11,446,407 (1991: \$8,042,856) shown as loans to Governments in statement V represents the total outstanding loans made by the Fund to the Governments of Botswana and Nepal. It consists of the following:

<u>Recipient country</u>	<u>Project number</u>	<u>Loan amount</u>	<u>Repayments</u>	<u>Outstanding loan amount</u>	
				<u>1993</u>	<u>1991</u>
(in United States dollars)					
Botswana	EOT/87/CO2	5 000 000	(1 428 571)	3 571 429	5 000 000
	BOT/87/CO5	4 699 000	-	4 699 000	-
	BCT/87/CO6	2 740 000	-	2 740 000	2 740 000
Nepal	NEP/95/CO1	<u>508 641</u>	<u>(72 663)</u>	<u>435 978</u>	<u>302 856</u>
		<u>12 947 641</u>	<u>(1 501 234)</u>	<u>11 446 407</u>	<u>8 042 856</u>

These loans are repayable over a period of 10 years.

(d) The amount of \$2,985,701 (1991: \$541,931) shown on statement V as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts charged to UNCDF projects for its indirect costs. The status of this account is as follows:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Balance as at 1 January	541 931	1 335 351
Amounts charged to UNCDF projects during the biennium	4 953 150	3 716 981
Contributions from the Government of Norway towards Tokyo Forum Conference	<u>500 000</u>	<u>-</u>
	5 995 081	5 052 332
Amounts utilized during the biennium	<u>(3 009 380)</u>	<u>(4 510 401)</u>
Balance as at 31 December	<u>2 985 701</u>	<u>541 931</u>

(e) The Governing Council, at its twenty-sixth session in 1979, approved the establishment of an operational reserve at the level of at least 20 per cent of project commitments and contingent liabilities for guarantees entered into by the Fund in respect of bank loans to Governments (excluding sub-trust fund and cost-sharing arrangements). In line with this decision, the operational reserve was adjusted to \$55.9 million in 1993 (1991: \$58.9 million).

(f) The partial funding system was originally approved by the Governing Council in 1979, at its twenty-sixth session. At its thirty-fourth session in 1987, the Governing Council reviewed the system and modified the formula for calculating the allowable ceiling of outstanding allocations to be the sum of liquid resources, exclusive of the operational reserve, plus five years of anticipated voluntary contributions.

In line with this decision, actual project allocations of \$80.2 million were made in 1992-1993 (excluding cost-sharing arrangements and sub-trust funds). As shown in footnote a/ of statement V, total unspent allocations as at 31 December 1993 amounted to \$239.2 million (1991: \$294.1 million) of which \$160.3 million is in excess of resources. The partial funding system allows a maximum of \$267.0 million outstanding future allocations.

(g) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amounts of \$.3 million and \$6.9 million for cost-sharing arrangements and sub-trust funds respectively. These amounts are included in the contributions receivable of \$7.6 million shown in the footnote to statement V and detailed in note 31.

Note 21. United Nations Revolving Fund for Natural Resources Exploration

(a) This amount includes replenishment income from mining activities from the Government of the Philippines in the amount of \$4,150 (1990-1991: Nil).

(b) The amount of \$1,701,803 (1990-1991: \$4,492,939) shown in statement VI includes pre-project expenditure in the amount of \$127,085 credit adjustment (1990-1991: \$701,779).

(c) Technical support costs incurred by the Fund are integral parts of project budgets and are not part of biennial budget expenditure. In prior bienniums, these costs were shown as part of project costs. However, at its thirty-eighth session in 1991, the Governing Council approved the establishment of technical support budgets. In line with this decision, technical support costs for 1992-1993 in the amount of \$948,595 are shown separately in statement VI. For comparative purposes project costs for 1990-1991 were restated to \$4,492,939 and the amount of \$624,248 is shown as technical support costs.

(d) The amount of \$522,345 shown in statement VI as loans to Governments represents a loan made by the Fund to the Government of Congo repayable over a period of four years. This amount includes a service charge of \$13,015. In 1991, the principal amount of \$509,330 was included under accounts receivable and deferred charges. For comparative purposes, 1991 accounts receivable and deferred charges were restated to \$12,726 and the amount of \$509,330 is now shown separately as 1991 loans to Governments.

(e) The amount of \$33,178 (1991: \$30,406) shown in statement VI represents the unspent balance of funds under a management service agreement between the Government of Sweden and the Fund. The status of this account is as follows:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Balance as at 1 January	30 406	511 062
Income received during the biennium	<u>2 772</u>	<u>132 904</u>
	33 178	643 966
Cost of services provided during the biennium	<u>-</u>	<u>613 560</u>
Balance as at 31 December	<u>33 178</u>	<u>30 406</u>

Note 22. United Nations Trust Fund for Sudano-Sahelian Activities

(a) The amount of \$913,487 (1991: \$2,023,627) shown in statement VII represents the balance in respect of management service agreements between donor countries and the Fund. The status of income received and expenditure incurred for the biennium 31 December 1993 is as follows:

Source of funding	Recipient country	Balance 1 January 1992	Income received	Income transferred	Cost of services provided	Unencumbered balance 31 December 1993
(United States dollars)						
Sweden	Burkina Faso	711 426	1 227 420	-	(1 589 885)	348 961
Sweden	Niger	713 373	343 187	(117 740)	(616 052)	322 768
Sweden	Senegal	<u>598 828</u>	<u>1 072 377</u>	<u>(118 443)</u>	<u>(1 311 004)</u>	<u>241 758</u>
		<u>2 023 627</u>	<u>2 642 984</u>	<u>(236 183)</u>	<u>(3 516 941)</u>	<u>913 487</u>

(b) The amount of \$542,517 (1991: \$379,288) shown on statement VII represents the balance due from UNEP for institutional support and programme support in respect of the Plan of Action to Combat Desertification in the Sudano-Sahelian region. The status of contributions received and expenditure incurred for the biennium 31 December 1993 is as follows:

	Institutional support	Programme support	Total	
			1993	1991
(United States dollars)				
Balance as at 1 January	(92 293)	(286 995)	(379 288)	121 568
Contributions received for the biennium				
From UNEP	1 068 500	1 085 370	2 153 870	1 460 861
From UNDP	<u>915 460</u>	<u>1 205 408</u>	<u>2 120 868</u>	<u>1 961 717</u>
	<u>1 983 960</u>	<u>2 290 778</u>	<u>4 274 738</u>	<u>3 422 578</u>
Expenditure incurred for the biennium				
By UNEP	(915 461)	(1 401 638)	(2 317 099)	(1 961 717)
By UNDP	<u>(915 460)</u>	<u>(1 205 408)</u>	<u>(2 120 868)</u>	<u>(1 961 717)</u>
	<u>(1 830 921)</u>	<u>(2 607 046)</u>	<u>(4 437 967)</u>	<u>(3 923 434)</u>
Balance due from UNEP as at 31 December	<u>60 746</u>	<u>(603 263)</u>	<u>(542 517)</u>	<u>(379 288)</u>

The UNDP share of the joint-venture expenditure for the biennium 1992-1993 on institutional support of \$915,460 is included in the amount of \$2.0 million shown as programme support in schedule 3. The UNDP share of the joint-venture

for the biennium 1992-1993 expenditure on programme support of \$1,205,408 is included in the amount of \$5.8 million shown as UNDP-other in schedule 2.

UNSO has entered into an agreement with UNEP to include future year commitments in 1993 amounting to \$262,210.

(c) The amount of \$213,709 (1991: \$710,244) shown on statement VII as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts received from non-core activities. The status of this account is as follows:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Balance as at 1 January	710 244	522 407
Amount charged to sub-trust funds during the biennium	278 442	313 029
Interest income from cost-sharing resources	556 786	680 805
Amount transferred from management service agreements	61 633	183 177
Amount transferred from UNSO general resources	<u>-</u>	<u>80 000</u>
	1 607 105	1 779 418
Amounts utilized during the biennium	<u>(1 393 396)</u>	<u>(1 069 174)</u>
Balance as at 31 December	<u>213 709</u>	<u>710 244</u>

(d) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amounts of \$12.4 million for cost-sharing and \$3.1 million for sub-trust funds. These amounts are included in the contributions receivable amount of \$15.8 million shown in the footnote to statement VII and detailed in note 31.

Note 23. United Nations Volunteers programme

(a) The Governing Council, at its thirty-ninth session in 1992, revised the guidelines for the use of the Special Voluntary Fund and the procedures for recovery of external costs. It was decided that except in situations where special financing is available, the external costs of volunteers will be charged fully to project budgets on the basis of a pro forma cost. Any difference between pro forma costs and actual costs will be absorbed by the Special Voluntary Fund. During the biennium, external costs totalling \$9,697,182 (1991: \$7,685,174) were recovered and credited as income of the Fund.

It was also decided that the income accruing to the Special Voluntary Fund, from voluntary contributions and interest income, be utilized to meet expenditures for pilot and experimental projects, briefing of UNV specialists and the training of Domestic Development Services country specialists and field workers, special recruitment campaigns, and other projects of similar nature.

Prior to this decision, 85 per cent of the income accruing to the Special Voluntary Fund was used to meet external costs of volunteers. Project budgets were charged an assessed amount to cover external costs that were not met by the Special Voluntary Fund.

(b) The amounts of \$137,583 (1991: deficit of \$95,360) and of \$3,611,733 (1991: \$1,358,345) shown in statement VIII, represent unspent balances as at 31 December 1993, of resources provided by UNHCR and by donor Governments for the financing of specific projects. The status of these accounts is as follows:

	Office of the United Nations High Commissioner for Refugees		Donor Governments	
	(United States dollars)			
	<u>1993</u>	<u>1991</u>	<u>1993</u>	<u>1991</u>
Balance as at 1 January	(95 360)	(58 299)	1 358 345	774 632
Income received during the biennium	<u>1 021 045</u>	<u>1 125 439</u>	<u>6 359 438</u>	<u>3 265 548</u>
	925 685	1 067 140	7 717 783	4 040 180
Expenditure incurred during the biennium	<u>(788 102)</u>	<u>(1 162 500)</u>	<u>(4 106 050)</u>	<u>(2 681 835)</u>
Balance as at 31 December	<u>137 583</u>	<u>(95 360)</u>	<u>3 611 733</u>	<u>1 358 345</u>

The unspent balance of US\$ 3,611,733 (1991: \$1,358,345) from donor Governments represents advances to meet costs for current volunteer assignments, and hence is not available for further programming.

(c) The amount of \$2,102,340 (1991: \$556,436) shown in statement VIII as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts received from non-core activities. The status of this account is as follows:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Balance as at 1 January	556 436	38 513
Income received during the biennium	<u>2 735 312</u>	<u>622 294</u>
	3 291 748	660 807
Expenditure incurred during the biennium	<u>1 189 408</u>	<u>(104 371)</u>
Balance as at 31 December	<u>2 102 340</u>	<u>556 436</u>

(d) The amount of \$9,116,377 (1991: \$5,435,173) recorded as unspent allocations represents estimated commitments in respect of repatriation travel and resettlement allowances for serving volunteers at 31 December 1993.

(e) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amount of \$0.8 million for sub-trust funds. This amount is included in the contributions receivable amount of \$1.1 million shown in the footnote to statement VIII and detailed in note 31.

Note 24. United Nations Fund for Science and Technology for Development

(a) The amount of \$11,689 (1991: \$65,356) shown in statement IX as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts charged by the Fund to its sub-trust funds as support costs. The status of this account is as follows:

	<u>United States dollars</u>	
	<u>1993</u>	<u>1991</u>
Balance as at 1 January	65 356	931
Income received during the biennium	<u>86 299</u>	<u>233 626</u>
	151 655	234 557
Expenditure incurred during the biennium	<u>(139 966)</u>	<u>(169 201)</u>
Balance as at 31 December	<u>11 689</u>	<u>65 356</u>

(b) The amount of \$59,935 (1991: \$60,149) shown in statement IX as unexpended resources under extrabudgetary activities, represents the unspent balance of a contribution from a donor Government to cover costs for activating pledges in kind from the private sector.

(c) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amount of \$52,556 for cost-sharing. This amount is included in the contributions receivable amount of \$758,820 shown in the footnote to statement IX and detailed in note 31.

Note 25. UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia

The amount of \$60,588 shown as accounts payable in statement X represents interest income of \$32,813 earned by the fund in 1991 and \$27,775 earned in the current biennium. These amounts are payable to the United Nations in accordance with the guidelines established for the operation of the funds.

Note 26. United Nations Development Fund for Women

(a) The Governing Council, at its thirty-eighth session in 1991, approved the establishment of technical support budgets. In line with this decision, technical support costs incurred by the Fund in the amount of \$1,185,613 (1990-1991: \$1,261,722) are shown separately in statement XI.

(b) The amount of \$16,197 (1991: \$16,197) shown in statement XI represents funds received under a management service agreement between the Government of Italy and the Fund.

(c) The Governing Council, at its thirty-fifth session in 1988, approved the establishment of an operational reserve set at the level of 45 per cent of outstanding recommended project approvals and unspent allocations. At its thirty-seventh session in 1990, the level of the operational reserve was reviewed and the basis of calculation was revised. The level of operational reserve is set using a sliding percentage scale applied to the Fund's forward commitments for a period of three years. Based on this calculation, the operational reserve was adjusted to \$5.1 million in 1993 (1991: \$6.2 million).

(d) Allocation in excess of resources were issued on the basis of contributions receivable from Governments in the amounts of \$0.9 million and \$1.6 million for cost-sharing and sub-trust funds respectively. These amounts are included in the contributions receivable amount of \$2.5 million shown in the footnote to statement XI and detailed in note 31.

Note 27. Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries

The amount shown as miscellaneous income/(expenditure) in statement XIII, consists of the following:

	<u>United States dollars</u>	
	<u>1992-1993</u>	<u>1990-1991</u>
Net adjustments on revaluation of balances held in roubles	(469 604)	(2 421 503)
Other adjustments on exchange gains/losses	-	(1 946)
Miscellaneous income/expense from accounts of executing agencies - net	(8 087)	(70 840)
Adjustments to prior biennium's miscellaneous expenditure	<u>380 389</u>	<u>-</u>
Total	<u>(97 302)</u>	<u>(2 494 289)</u>

Note 28. Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries

Of the unencumbered funds of \$5.9 million (1991: \$5.5 million) shown in statement XVI, \$5 million is held in perpetuity in accordance with the General Assembly's decision at its forty-first session in 1986. It was also decided that only interest earnings from the Fund's investments will be available for programming.

Note 29. Trust Fund for the Global Environment Facility

Allocations exceeding resources were issued on the basis of letters of commitments from the World Bank confirming allocations of \$200 million to UNDP.

Funds are remitted by the World Bank as required by UNDP. To date, a total of \$65.7 million has been received.

Note 30. Trust Fund for Environmental Conservation in Bhutan

Of the unencumbered funds of \$10.4 million, \$9.2 million is held as investments of the Fund as shown in statement XXII. In accordance with the guidelines set up for the operations of the Fund, programme activities will be funded from a portion of the interest earnings from these investments. The guidelines state further that the Fund's investments should not fall below \$8.5 million.

Note 31. Contributions due from Governments and other contributors for trust funds administered by UNDP as at 31 December 1993

	United Nations Capital Development Fund	United Nations Revolving Fund for Natural Resources Exploration	United Nations Trust Fund for Sudanese Sahelian Activities	United Nations Volunteers Programme	United Nations Fund for Science and Technology Development	United Nations Development Fund for Women	UNDP Energy Account	Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries	Trust Fund for Emergency Assistance to the People's Republic of Mozambique	Trust Fund for the Global Environment Facility
Voluntary contributions										
1989 and prior bienniums	316 534	40 504	147 179	193 691	423 311	117 978	500	-	-	-
1990	31 189	-	11 351	-	123 516	8 651	-	-	-	-
1991	16 590	4 000	262 183	5 676	24 126	5 890	-	804 725	-	-
1992	24 000	-	1 000	10 500	26 642	12 567	-	-	-	-
1993	10 927	2 000	8 000	17 473	35 092	75 055	-	-	-	-
Total	399 240	46 504	429 713	227 340	632 687	220 141	500	804 725	-	-
Cost-sharing contributions										
1992 and prior bienniums	305 000	-	2 452 788	-	44 002	85 849	937 710	-	161 241	671 141
1993	-	-	9 907 189	-	8 554	568 182	196 500	-	-	1 006 711
Total	305 000	-	12 359 977	-	52 556	654 031	1 134 210	-	161 241	1 677 852
Total voluntary and cost-sharing contributions	704 240	46 504	12 789 690	227 340	685 243	874 172	1 134 710	804 725	161 241	1 677 852
Contributions to sub-trust funds										
1992 and prior bienniums	6 928 791	-	113 033	840 000	73 577	1 601 316	-	-	-	-
1993	-	-	2 943 963	-	-	-	-	-	-	-
Total	6 928 791	-	3 056 996	840 000	73 577	1 601 316	-	-	-	-
Total contributions due	7 633 031	46 504	15 846 686	1 067 340	758 820	2 475 488	1 134 710	804 725	161 241	1 677 852

	Finland/Trust Fund for the Construction of an Agro-Veterinary School in Bushaki	CIDA/Trust Fund for African Project Development Facility	UNDP Trust Fund for Habitat	Disaster Management Training Programme	Elaboration of Methods and Techniques of Operational-Planning the Human Development Concept	International Development Research Centre Trust Fund for Information Management Training Series	Trust Fund for Democratization Support and the Electoral Process in Guinea-Bissau	Trust Fund for UNDP History Project	United Nations Trust Fund for Operational Programme in Lesotho
Voluntary contributions									
1990 and prior bienniums	-	-	-	-	-	-	-	-	118 343
1990	-	-	10 811	-	-	-	-	-	-
1991	-	-	-	43 767	17 635	-	-	-	-
1992	-	-	-	-	-	-	-	-	-
1993	-	-	-	-	-	11 696	38 462	26 042	-
Total	4 208 410	-	10 811	43 767	17 635	11 696	38 462	26 042	118 343
Cost-sharing contributions									
1992 and prior bienniums	-	-	-	-	-	-	-	-	-
1993	85 865	151 515	-	-	-	-	-	-	-
Total voluntary and cost-sharing contributions	85 865	151 515	-	-	-	-	-	-	-
Contributions to sub-trust funds									
1992 and prior bienniums	-	-	-	-	-	-	-	-	-
1993	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Total contributions due	4 208 410	151 515	10 811	43 767	17 635	11 696	38 462	26 042	118 343